“Disrupting a Multi-Billion $ Material Handling Sector”

Safe Harbor Language

Forward Looking Statements:

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Who is Flux Power?

- Designer, developer, manufacturer, and seller of lithium-ion battery packs that replace inefficient and environmentally undesirable lead-acid packs in industrial equipment
- Unique modular design and proprietary software lends itself to tremendous flexibility.
- Investment and engineering talent have yielded unique lithium-ion solutions that offer compelling economic advantages as well as environmental benefits.
- Over 5 years of relationship building has positioned Flux Power for significant revenue growth and margin improvement in 2021-2022.
- Relocated this past year to 65,000 sq ft facility with production capacity for $100M revenue annually.

Flux Power LiFT Pack

ISO 9001 Certified Assembly Facility in Vista, CA

Flux Power in the Current Environment

Enabling the paradigm shift to an electrified world for material handling

- Decade of experience in design and packaging lithium-ion battery packs for motive applications
- Products available for Class 1, 2, and 3 forklifts, airport ground support equipment (GSE), and natural product line extensions including solar energy storage for electric vehicle (EV) charging and warehouse robotics

Early Stages of Multi-Billion Dollar Market Opportunity

- Technology and economic advantages open a $2.5B dollar North American market*
- Lithium-ion value proposition: lower total cost of ownership via better performance, longer life, greater energy efficiency and no water maintenance versus legacy lead acid batteries

Market Validation with Fortune 500 Customers

- UL Listing & OEM approvals provide validation of performance and safety
- Fortune 500 early adopters purchasing Flux Power LiFT Packs include: PepsiCo, Frito-Lay. Mondelez, Caterpillar and Delta Air Lines

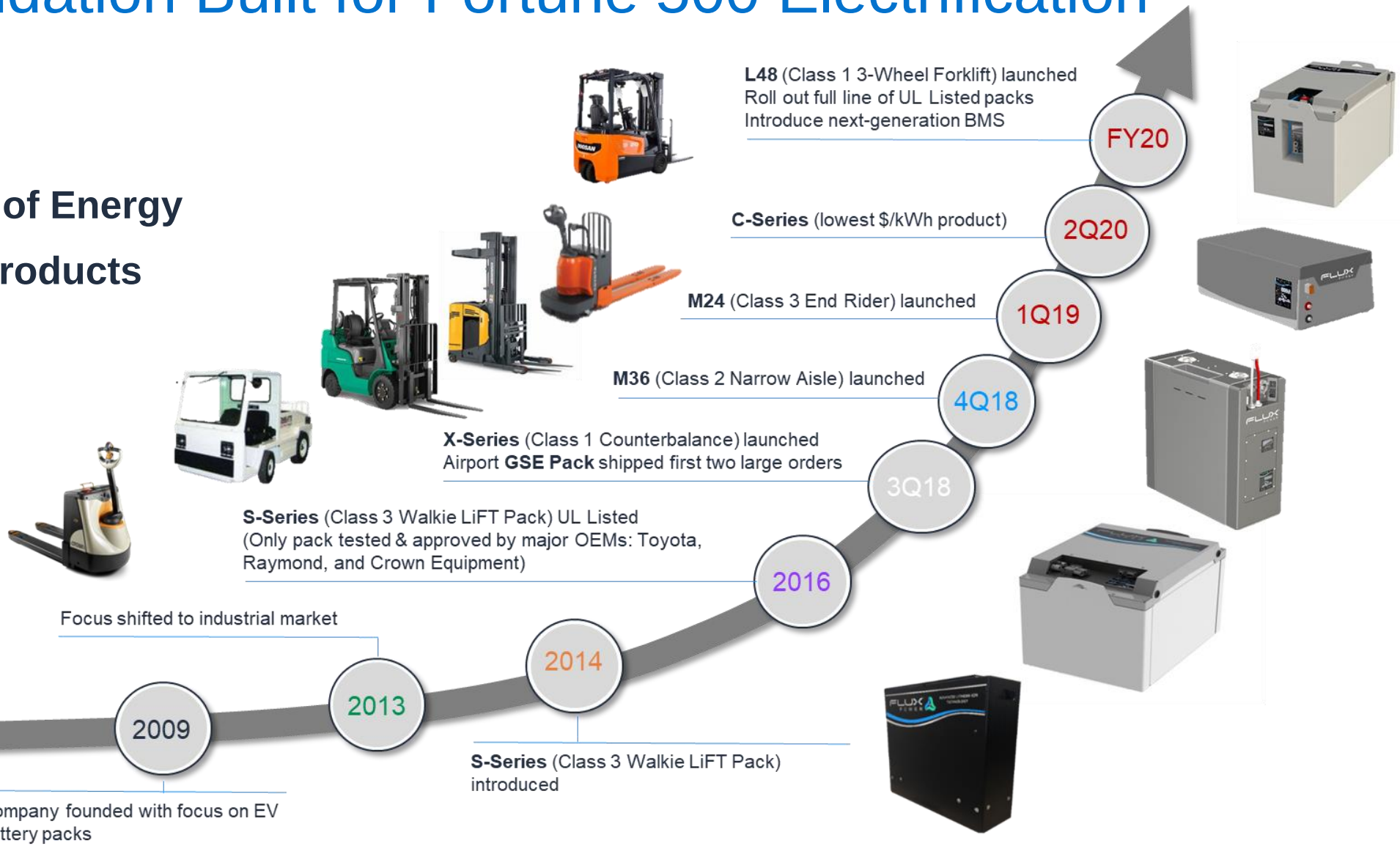
High Growth with Margins Expanding

- Ramping production & sales – FY'19 (June YE) revenue grew 130% to $9.3M; FY'20 revenue grew more than 80% to ~$16.8M; rapid growth anticipated to continue with impact of full product line rollout and high sector growth
- Expect continued gross margin expansion through continued focus on volume purchasing, cost downs, design optimizations, sourcing changes, and manufacturing efficiencies post launch of new product lines
- Expanded facility to 64,000 sq. ft. to support up to $100M of annual production

**Company estimates based on Industrial Truck Association (ITA), Sept 2019 Annual Publication; comparisons reflect feedback from customers*

A Foundation Built for Fortune 500 Electrification

Full Suite of Energy Storage Products



Competing Power Sources for Equipment

- **Lithium-ion**
  - High volume, multi-shift applications
  - Five competitors of comparable revenue
    - Only one has UL Listings and one other has private label with OEM
  - Flux Power was the first mover in the motive lift space and has over 7,000 packs in the field
- **Lead Acid**
  - Low purchase price; single shift; low usage
  - Requires regular water maintenance
  - Requires monthly lead acid reporting by government
- **IC: Propane**
  - Higher maintenance cost; emissions preclude certain industries
  - Sustainability issues
- **Fuel Cell**
  - High capital investment; tailored for 5-minute charging; special handling and maintenance required for hydrogen; requires lithium for use
  - Caters to companies like Amazon and Walmart having 7X24 high volume with 200 or more forklifts on site

Large Addressable Market

- The Industrial Truck Association (ITA) estimates that ~260,000 lift trucks were sold in North America in 2018
- $2.5B addressable annual market for electric trucks; 40% of forklift sector is internal combustion (primarily propane)
- Sales are building for fleets converting from propane (IC) to lithium-ion to address environment and maintenance issues
- We believe lithium-ion currently has 2% market share
- Flux Power LiFT Packs “drop-in and play” easily with most forklifts for lead acid replacement business

Forklift Type	Class	Description	
Electric Trucks	Class 1	Sit-on / Counterbalance	Sector focus
	Class 2	Narrow Aisle	
	Class 3	Walkie Pallet	
	Class 3	End Riders / Center Riders	
Internal Combustion (IC) Trucks	Class 4	IC, Solid Tires	Potential conversion
	Class 5	IC, Pneumatic Tires	
Tractors / Rough Terrain Trucks	Class 6	Electric and IC Tractor / Trailers	
	Class 7	Rough Terrain Forklift Trucks	

**OSHA Classifications*
IC includes: propane, gasoline, diesel,

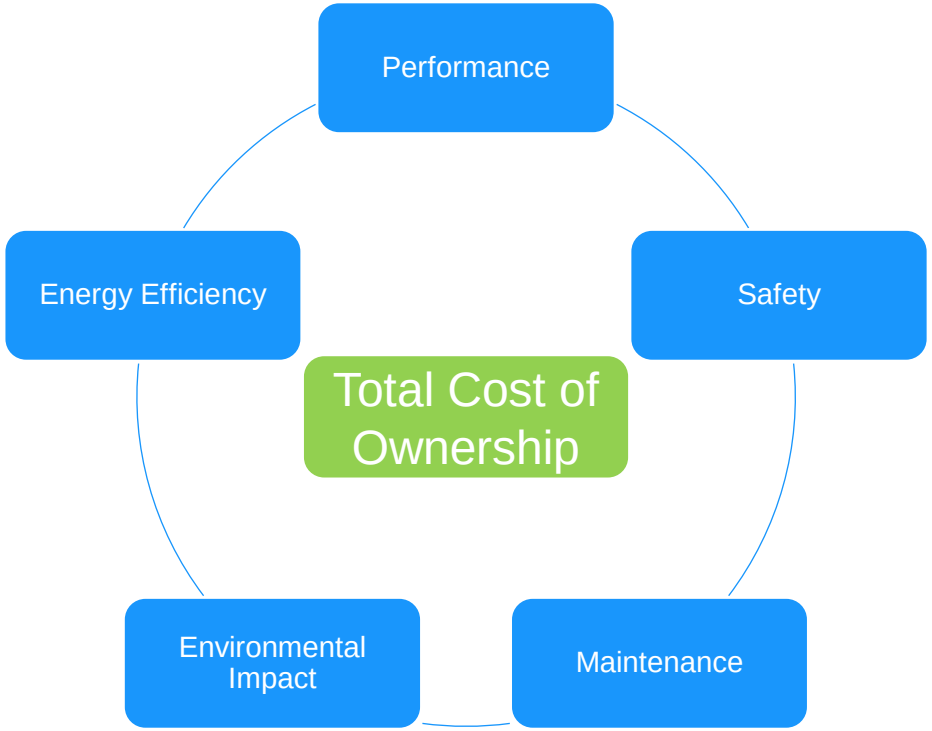
Sit-on

Narrow Aisle

Walkie

End Rider

Customers Want Lower Cost and Higher Performance



Attribute	Lead Acid Batteries	Flux Power Lithium-Ion "LiFT Packs"
Performance	Power & runtime Limitations	Run longer shifts, maintain power
Lifespan *	Shorter cycle life	5 – 10 year warranties
Efficiency **	Less efficient energy storage	More efficient energy usage than lead acid
Maintenance ***	Must water; requires multiple packs/truck	Single pack/truck, opportunity charge
Environmental	Acid; produces offgasses during charge	Environmentally sealed for life, no risk of spills
Cost	Lower initial purchase cost	Lower total cost of ownership

Flux Power LiFT Packs eliminate forklift operation pain points, with lower total cost of ownership

* *Lithium-ion has 7-year life, Argonne National Labs Study*
** *Lithium chemistry wastes less energy per Battery University*
*** *Requires no water maintenance*

5-Year Cost Savings: Lithium-ion vs Lead Acid

Battery Costs	Lead-Acid	M-Series	Net Savings
Price per Battery	$ 4,000	$ 12,000	
Expected lifetime (years)	6	10	
Batteries per unit	2	1	
Total batteries in 5 years	1.7	0.5	
Number of Trucks in fleet	10	10	
Total 5-Year Battery Cost	**$ 66,667**	**$ 60,000**	**$ 6,667**
Operating Costs			
Watering System Cost	$ 300	$ -	
H_2O Maintenance (mins/wk/bat)	2	0	
H_2O Maintenance Rate ($/Hr)	$ 60	$ -	
Staff Labor Rate ($/ Per Hour)	$ 20	$ -	
Change-out time (mins)	5	0	
Change outs/week/truck	7	0	
Total Staff Labor-hrs/week	6	0	
Total 5-Year Operation	**$ 36,167**	**$ -**	**$ 36,167**
Energy Savings			
Energy Cost (kWh)	$0.14		
Efficiency Gain	40%		
Battery Voltage (V)	36		
Battery Capacity (Ah)	400		
8 hour shifts per week	14		
Total 5-Year Cost	**$ 51,368**	**$ 30,821**	**$ 20,547**
		Metric Tons of CO_2 Saved:	**109**
Warehouse Space			
Cost per square foot per month	$0.30		
Square footage saved	800		
Total 5-Year Cost	**$ 14,400**	**$ -**	**$ 14,400**
5-Year Total	**$ 168,601**	**$ 90,821**	**$ 77,780**
Annualized Total	**$ 33,720**	**$ 18,164**	**$ 15,556**

"End Rider Fleet" (10 units):

- Battery savings $6,667
- Operating savings $36,167
- Energy savings $20,547
- Warehouse space $14,400
- 5-Year Total Savings **$77,780**

Percent Savings vs Lead Acid **46%**

Environmental Impact:

- 109 tons of CO_2 Saved
- No EPA monthly lead acid reporting
- No acid spills in warehouse

Fortune 100 Manufacturing Company ROI

Battery Costs	Lead-Acid	L/X-Series	Net Savings
Price per Battery	$ 6,500	$ 22,000	
Expected lifetime (years)	5	7	
Batteries per unit	3	1	
Total batteries in 5 years	3.0	0.7	
Number of Trucks in fleet	80	80	
Total 5-Year Battery Cost	**$ 1,560,000**	**$ 1,257,143**	**$ 302,857**
Operating Costs			
Watering System Cost	$ 300	$ -	
H_2O Maintenance (mins/wk/bat)	11	0	
H_2O Maintenance Rate ($/Hr)	$ 60	$ -	
Staff Labor Rate ($/ Per Hour)	$ 35	$ -	
Change-out time (mins)	22	0	
Change outs/week/truck	21	0	
Total Staff Labor-hrs/week	616	0	
Total 5-Year Operation	**$ 5,843,100**	**$ -**	**$ 5,843,100**
Energy Savings			
Energy Cost (kWh)	$0.08		
Efficiency Gain	50%		
Battery Voltage (V)	36		
Battery Capacity (Ah)	600		
8 hour shifts per week	19		
Total 5-Year Cost	**$ 478,034**	**$ 239,017**	**$ 239,017**
	Metric Tons of CO_2 Saved:		**2,223**
Warehouse Space			
Cost per square foot per month	$0.30		
Square footage saved	0		
Total 5-Year Cost	**$ -**	**$ -**	**$ -**
5-Year Total	**$ 7,881,134**	**$ 1,496,160**	**$ 6,384,974**
Annualized Total	**$ 1,576,227**	**$ 299,232**	**$ 1,276,995**

Class I Forklifts (80 units)

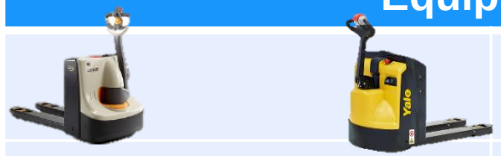
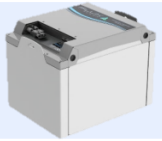
- Battery savings $0.3M
- Operating savings $5.8M
- Energy savings $0.2M
- 5-Year Total Savings **$6.3M**

Percent Savings vs Lead Acid **81%**

Environmental Impact

- 2,000+ tons of CO_2 Saved
- No EPA monthly lead acid reporting
- No acid spills in warehouse

Full Product Line for Large Fleets

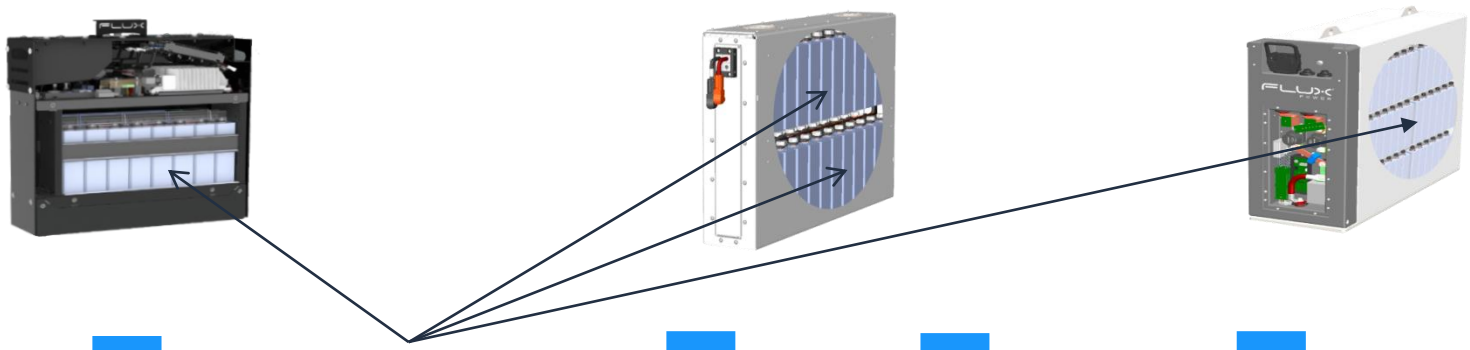
Equipment		Flux Power Product		Description
	**Class 3 Walkie**		**S8 & S24 LiFT Pack**	High volume workhorse
	**Class 3 End / Center Rider**		**M24 LiFT Pack**	Market volume similar to Walkies 4X energy of Walkie
	**Class 2 Narrow Aisle**		**M36 LiFT Pack**	Narrow Aisle, High Growth 10X energy of Walkie
	**Class 1 3-Wheel & Class 2 Turret Truck**		**L48 LiFT Pack**	8X energy of Walkie
	**Class 1 Counterbalanced**		**X-Series LiFT Pack**	12X energy of Walkie
	**Airport GSE**		**GSE Pack**	Modular design similar to Class 1 14X energy of Walkie
Other Industrial Applications	**Solar Storage, AGV, etc.**		**C-Series**	Lowest $/kWh product 2-6X energy of Walkie

Modular Designs Enable Nimble Product Development

Launched 2014

Launched 2018-19 and Fits Most Models

Lithium Iron Phosphate cells (no Cobalt)



Battery “Tier”

Class 3 Walkie

1.7 to 4.3 kWh

Ground Support Equipment

16 to 48 kWh

Class 1 Ride-On

21.6 to 32 kWh

Class 2 Narrow Aisle

21.6 to 31 kWh

Class 3 End Rider

9.6 to 14.4 kWh

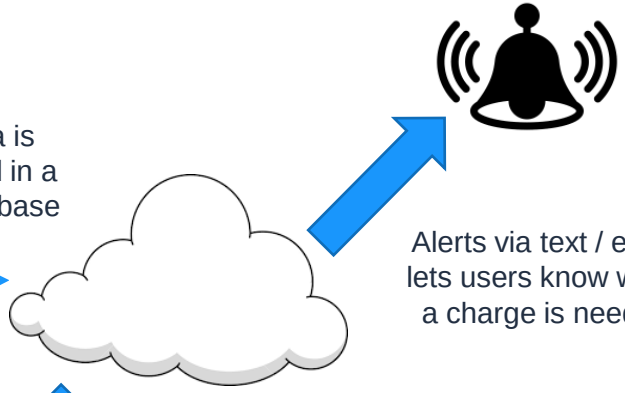
SkyBMS Telematics: Transforming Warehouse Management

Access to Fleet Management and Diagnostics Anywhere

Data is sent to telematic units

Data is transmitted via cellular / Wi-Fi connection

Data is stored in a cloud base



Alerts via text / email lets users know when a charge is needed

Data is translated and a portfolio of reports made available to customer / dealer / Flux Power

- Powerful reporting suite by battery / fleet / customer
- Built on AWS backbone - facilitates massive data expansion
- Custom alerts tailored for End User, Dealer, or Flux Power support personnel
- Able to push “Hot Updates” in real time
- Foundation in place for Lease and “kWaas” (power as a service) sales models

Fleet Dashboard

Weekly / Monthly Report

Battery ‘Deep Dive’

Airport Ground Support Equipment (GSE)

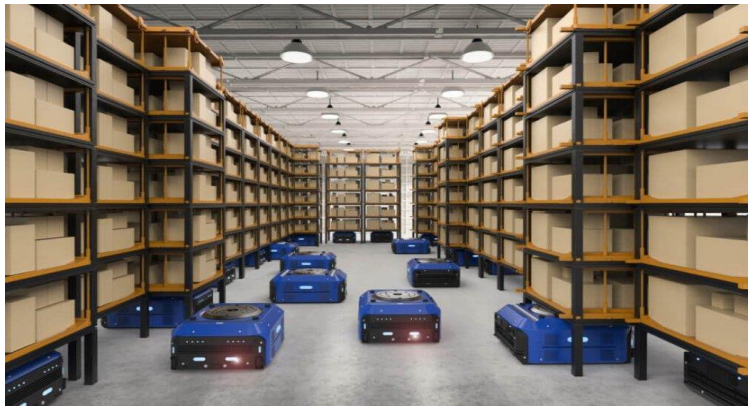
- **GSE battery packs utilize the same modular design as our large products and represents a natural product extension to forklift applications**

- **Recent industry trends:**
  - Recent increase of “Green Initiatives” at airports favors a lithium solution
  - Delta Airlines announced $1B spend to become carbon neutral in 10 years
  - Despite COVID-19 related slowdown with airlines, airline cargo demand and GSE equipment OEMs continue pacing

- **Sales are getting traction**:
  - Major US-based global airline: Buying regular tranches of packs beginning in 2018; has reputation for leader in adopting new technology
  - Initial work and sales with GSE OEMs for install on cargo loaders, baggage loaders, and belt loaders for their new equipment sales
  - Have completed initial successful trials with other major US airlines (at LAX, Charlotte, Atlanta, Houston, and Seattle), along with initial sales to global GSE service provider

Emerging New Products

- **Solar Energy Storage**
  - Initial sales, partnering with OEM “Envision Solar International” (Symbol: EVSI), to supply our lithium-ion packs for their solar EV charging stations
  - Our solar energy storage product is a natural product extension
  - Utilizes our modular design adapted for form and power requirements
- **Warehouse Robotic Solutions**
  - Recent initial sales for rapidly growing warehouse robotics
  - Also a natural product extension of our modular design



R&D and Manufacturing

- **Proprietary designs including battery management system and telemetry**
  - Advanced features and capabilities have evolved from 6 years of material handling customer experience
  - Five innovative features of our next generation BMS currently in patent process
    - State of the art data collection, analysis and custom reporting
    - Adaptable to many product lines and industry applications
    - Enables telemetry capability

- **Designed to meet UL Listed certifications**
  - Third party validation of highest safety and durability standards; result of significant investment
  - Flux Power is expected to have complete forklift product lineup with UL certification by Dec 2020
  - UL testing and certification is expected to ensure all operational modes are addressed for safety and durability

- **ISO 9001 Certified and $100M Production Capacity**
  - Established process infrastructure to achieve consistent high levels of reliability and quality, including repeatable, reliable processes subject to annual certification
  - 3 assembly lines capable of $100M of annual production, launched June 2019

Broad Sectors and Customers Being Served

Beverage

Food

Distribution

Manufacturing

Retail/Grocery

Airport GSE

Multiple Sales Channels

OEMs

- Have sold to a majority of the top 10 forklift OEMs
- Private label with a top five global OEM
- Formal Supply Agreements with three Fortune 500 OEMs

Equipment Dealers

- Nationwide relationships with both OEM-affiliated & independent equipment dealers

Battery Distributors

- Utilize regional Battery Distributors for sales and service

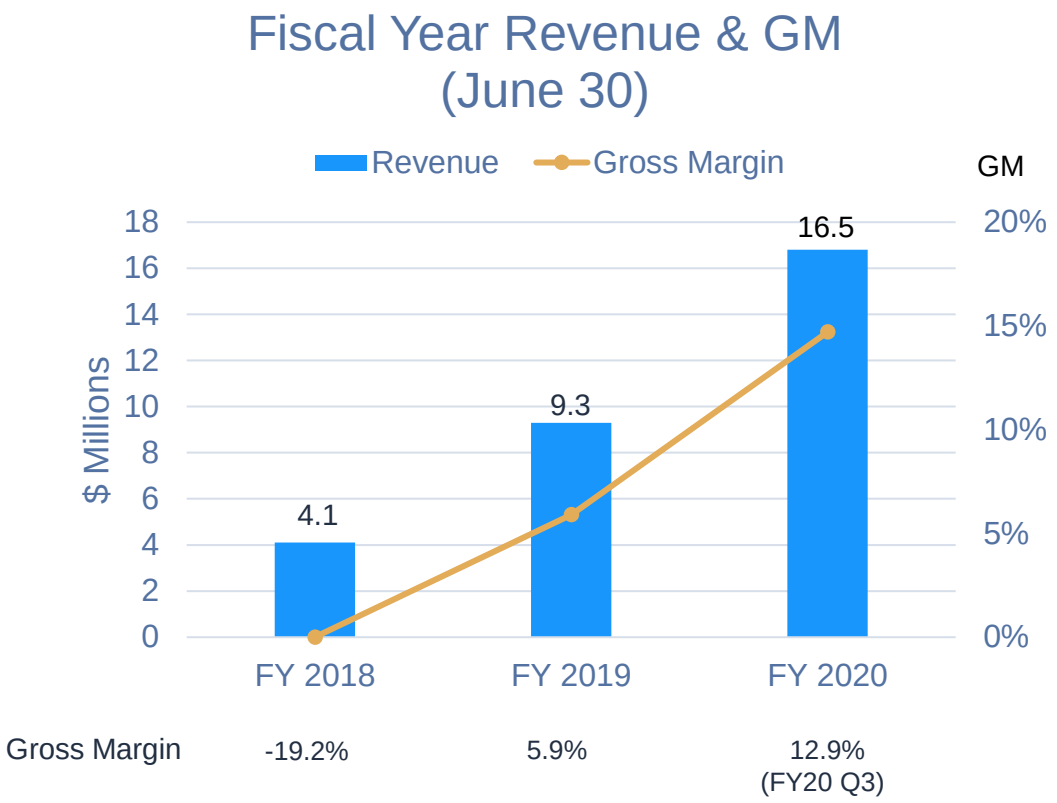
End Users

- Direct sales to large End Users
- Fortune 50 company – Global Supply Agreement

Private Label Program with Large OEM

- OEM has given validation and support of Flux Power products and service
- Flux Power Walkie Pack is provided as a “private label” under OEM brand; launched April 2019
- Currently near completion developing a follow-on proprietary model for OEM new Class 3 forklift
- Flux Power will continue to serve all major lift equipment makes

Strong Revenue Growth



Income Statement				
For the Fiscal Period Ending ($ Millions)	**FQ4/CQ2 Jun 30, 2019**	**FQ1/CQ3 Sep 30, 2019**	**FQ2/CQ4 Dec 31, 2019**	**FQ3/CQ1 Mar 31, 2020**
Total Revenue	**3.0**	**1.9**	**3.6**	**5.1**
Cost Of Goods Sold	2.8	1.8	3.3	4.4
Gross Profit	**0.2**	**0.1**	**0.3**	**0.6**
Gross Profit %	**6.7%**	**6.1%**	**9.0%**	**12.8%**
Selling General & Admin	2.2	2.2	2.2	2.6
R&D Exp	1.2	1.4	1.0	1.5
Other Operating Exp., Total	**3.4**	**3.6**	**3.3**	**4.1**
Operating Income	**-3.2**	**-3.5**	**-2.9**	**-3.5**
Net Interest Exp.	**-0.2**	**-0.3**	**-0.4**	**-0.5**
Net Income	**-3.4**	**-3.8**	**-3.3**	**-4.0**

- Continued revenue trajectory despite COVID-19
- Gross Margin expansion tracking to improvement plan

Gross Margin Expansion in Progress

Initiatives for gross margin improvement		Explanation
Next-Gen Battery Management System (BMS)		Consolidates PCBs; modular design to accommodate large packs
Cell sourcing & purchasing improvements		New cell supplier has automated factory for better quality & cost
Volume & sourcing efficiencies		Higher purchasing will lower unit costs
Assembly efficiencies & utilization		Continuous improvement of production line efficiencies
Unit pricing from new features/options		Adds: heater options, telemetry options, weight, dimensions
Achieve most of goal within 12 months		All initiatives now underway

Note: Currently have progression of improving gross margin with long-term goal > 30%

Strengthened Capital Structure

	FY 2020 Qtr 3 ($000)	Impact of Recent PIPE and Debt Conversion: Change ($000)		Comment
Assets				
Cash	106	**4,300**	→	PIPE raise closed July 24, 2020
Accts Rec	2,710			
Inventory	5,139			
Other Current	916			
Other LT	2,894			
Total Assets	**11,765**			
Liabilities				
Accts Payable	4,141			
Other current	2,076			
Other LT	4,853			
LOC debt	13,455	**(8,300)**	→	Debt conversion closed June 30 and July 24
Total Liab.	**24,525**			
Equity	(12,760)	**12,600**	→	**Increased Equity**
Total Liab & Eq.	**11,765**			

Leadership Team

Ron Dutt: CEO, Director

Leadership at DHL, Ford Motor Company, Visa, Directed Electronics and SOLA Int'l. Led companies from early stage to >$1B rev.

Chuck Scheiwe: CFO

Led accounting and financial planning operations of diverse companies, Senstay Reptron & Teletrac and GreatCall, from startup stage to high growth

Jon Berry: COO

Senior roles at Alstom Transport, PACCAR UK, Clean Air Power and Pilkington Aerospace.

- Certified first tilting train for passenger operation in UK

- Supplied Alt fuel components direct to Volvo trucks Sweden assembly line.

Tod Kilgore: Director of Sales

Led sales organization at Samina Corporation, Accurate Solutions, Amistar Manufacturing and Marshall Industries.

Paulus Geantil: CTO

Expert in embedded systems, electrical design, robotics, & system integration and has patents across various technologies.

Tim Vaughan: Director of Engineering

Experienced automation and process improvement Engineer, including medical and aerospace industries with John Deere & Veridiam.

Summary

Lithium technology enables transformational industrial change

- Cleaner than traditional technologies and enables fleet electrification
- Coupled with on-board processors enables intelligent fleet control (telemetry)
- Lithium cells are technically accepted, and widely produced to exceptional quality

Lithium-ion battery packs solve major productivity, cost, and environmental problems

- Longer battery life; no performance degradation; faster charge times
- Higher energy efficiency
- No maintenance; no acid spills; no off-gassing during charging; no products of combustion

Flux Power is leading the adoption of lithium-ion battery packs

- A solid foundation: full product line, scalable production, and customer satisfaction
- Our modular designs adapt easily for solar backup and robotic applications
- Product & management team vetted by global OEMs and fleet operators
- Implementation of gross margin expansion plan and fixed cost reduction / containment program
- Expanding OEM relationships with pending supply agreement with top ten global forklift OEM

Thank you!

64,000 sq. ft. facility in Vista, CA

UN 38.3
Certified

CERTIFIED ISO 9001:2015 COMPANY

UL LISTED