

Flux Power Holdings, Inc

OTCQB: FLUX

**“Leading the Charge” in New
Battery Technology Adoption
in \$10B Forklift Market**



Investor Presentation

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www.fluxpwr.com



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Who is Flux Power?

- **Manufacturer of lithium battery packs that replace legacy lead acid packs in industrial equipment**

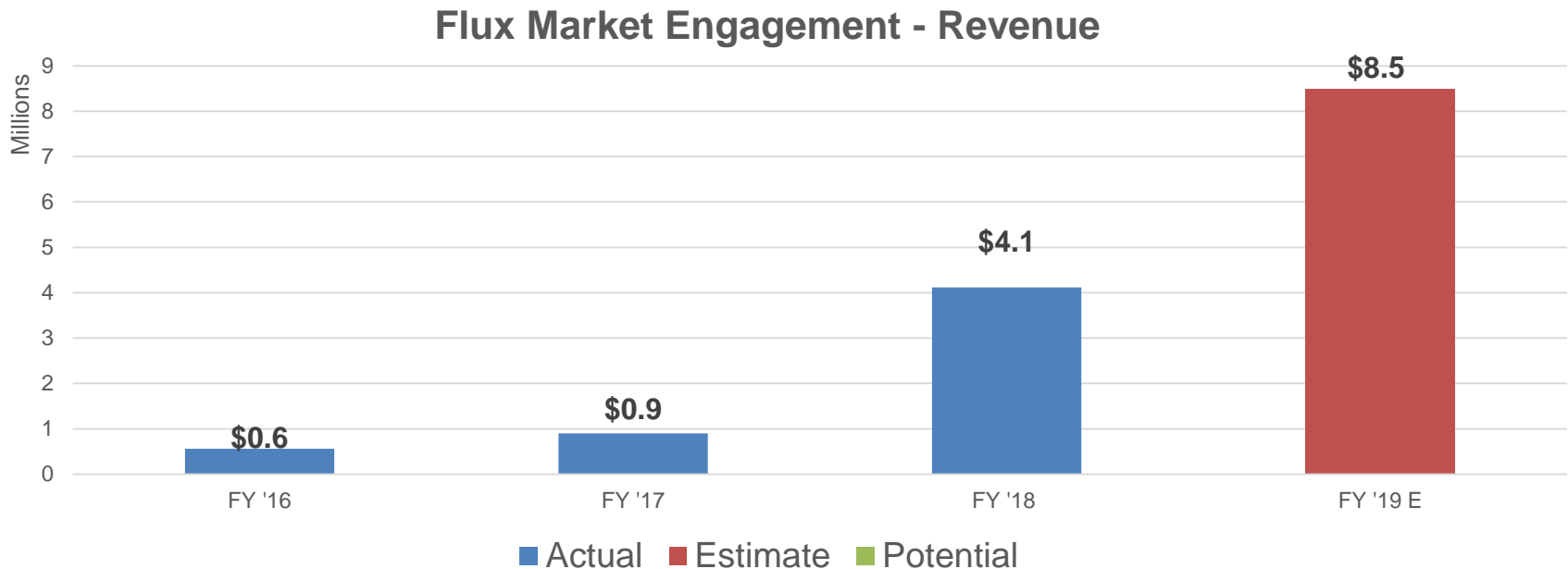
Flux, a state-of-the-art technology company founded in 2009, had provided automotive lithium solutions, and then pivoted to industrial equipment in 2013. The Flux team is highly capable, agile in execution, and brings extensive experience from Ford Motor, PACCAR, DHL, Visa, Pilkington Aerospace, Alstom, and numerous startups.

- **First mover in North America, leading industry migration to lithium: Only lithium provider with UL Listing for multiple OEM equipment manufacturers**



Why Flux?

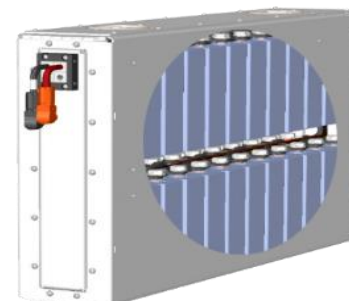
- Pioneering developer of lithium-ion battery solutions for industrial equipment
- Clear performance, cost, safety and environmental advantages over lead-acid
- **Dawn of lithium-ion battery use in industrial equipment is finally here**
- First mover in inevitable shift from lead-acid to lithium-ion batteries
- **Demand is accelerating in a \$10B market opportunity**






Our Industry Leading Products



- **Focus on Industrial Transport market since 2013**
- **Class 3 Walkie LiFT Pack introduced in 2014**
 - Only pack tested & approved by major OEM' s: Toyota, Raymond, and Crown Equipment
 - UL Approval 2016: only UL Listed pack in the forklift industry for multiple forklift brands
- **Class 1 “Counter Balance” launched Q2 CY 2018**
- **Class 2 Narrow Aisle and Class 3 End Rider launched Q4 CY 2018**
- **Airport GSE shipped first two large orders in Q2 and Q3 CY 2018**

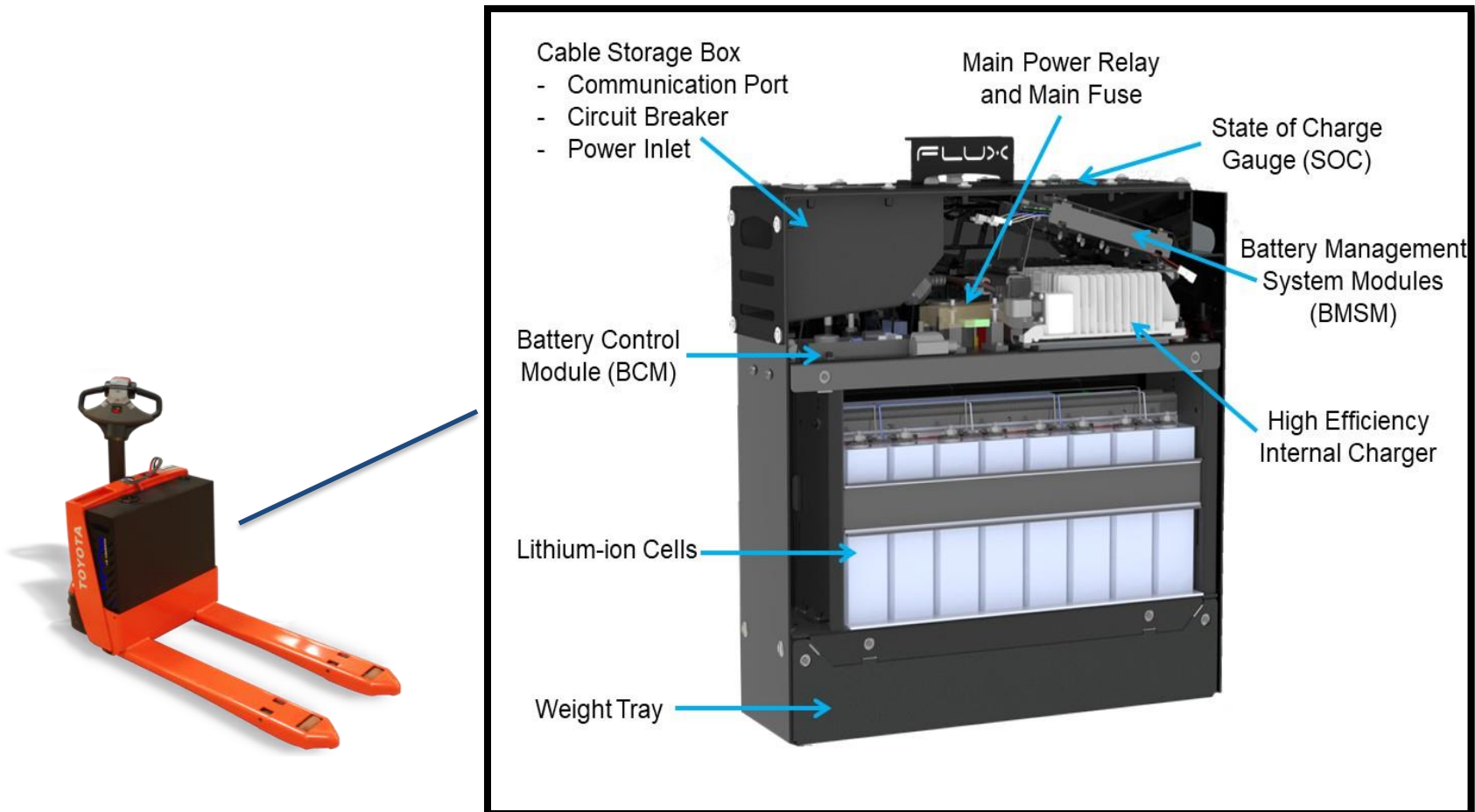


Flux Power Roadmap: Modular and Scalable

	Equipment	Size
	Class 3 Walkie Pallet Jack	High volume workhorse
	Class 1 Counter Balance	10X energy of Walkie
	Class 3 End Rider	Market volume similar to Walkies 4X energy of Walkie
	Class 2 Narrow Aisle	Narrow Aisle, High Growth 10X energy of Walkie
	Airport GSE	Modular design similar to Class 1 14 x energy of Walkie

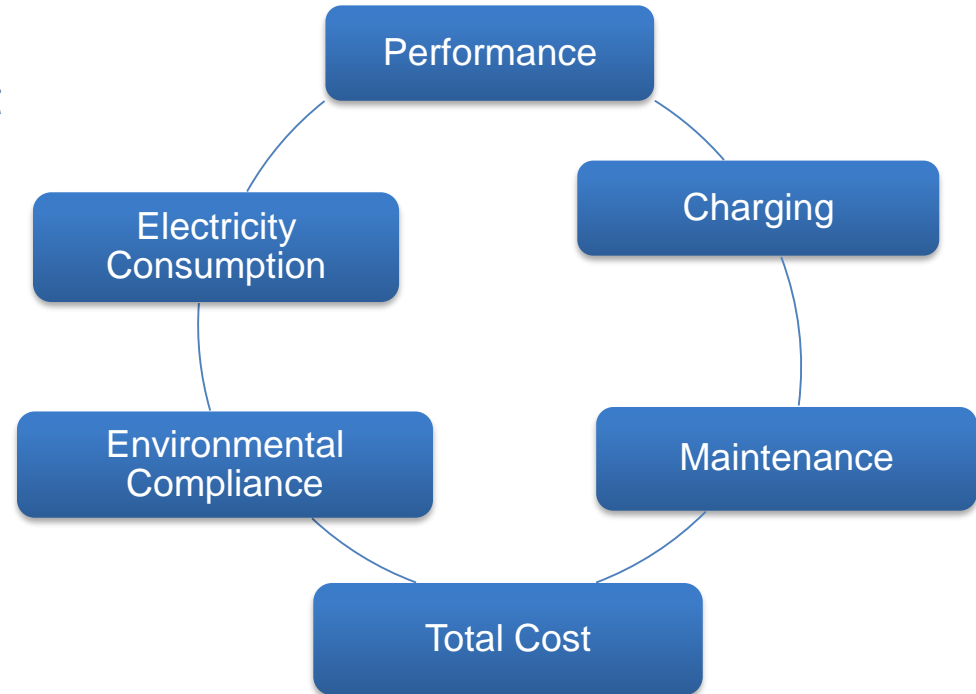
Flux Packs: Cells and Patented Electronics

- Battery for Class 3 forklifts --- “walkie” pallet jacks ---
- *Flux modular design based on this “Walkie” pallet pack*
- *Software and firmware located in BCM and BMSM*



Why Lithium-Ion Lift Packs?

- Flux LiFT Packs eliminate forklift operator **Pain Points**



Lead Acid Batteries	Flux Lithium-Ion “LiFT Packs”
Power & Runtime Limitations	Run Longer Shifts
Less Efficient Energy Storage	30-50% Electricity Savings
1-2 Year Lifespan	5 Year Warranty

Modular Designs For Full Product Line

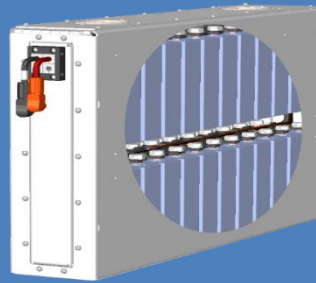
Launch 2014

Launch Q2 2018 and Fits over 25 Models

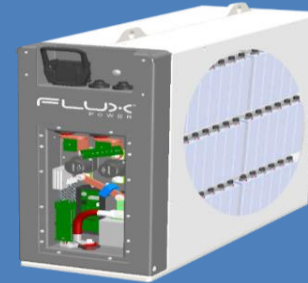
**1-Tier Pack
(Class 3 Walkie)**



**2-Tier Blade
(GSE)**



**3-Tier Pack
(Class 1/Class 2)**



\$10 Billion Addressable Market for Forklift Batteries

- Flux poised to serve entire electric forklift market
 - \$10B total market opportunity*
 - Lithium penetration now under 1%
- Large customers with diverse forklift fleets want one solution provider
- Plenty of room for several market share “winners”

Forklift Type	Market Size (Units)	Average Retail Price	Market Opportunity
Class 3 Walkie	175,000	\$4,500	\$0.79B
Class 3 End Rider	150,000	\$11,000	\$1.65B
Class 2 Narrow Aisle	165,000	\$21,500	\$3.55B
Class 1 Sit-on	175,000	\$22,500	\$3.95B
Total			\$9.94B

*Excludes Airport Ground Service Equipment and Other Opportunities

Customer / Partner Testimonials



“We are excited about the partnership with Flux Power. It really makes a difference having a team behind the product and service.”



“Overall, we love our LiFT Packs and won’t go back to the old lead-acid days.”



“We tested the runtime because we were curious – and got 4 days of use without needing to charge the pallet jack, this gives me a comfort level.”



“The Flux end rider pack at our exhibit at the Pepsi Show was a huge success. How aggressively can you move forward in filling our needs for the future?”



“Our customers rave about the reliability and absence of maintenance.”

Flux Has Built Strong Competitive Position



- Proprietary engineering, design and battery management system
- Strong OEM, Distributor & Customer relationships
- Industry leading unit shipments in our initial “walkie” product line

Technical Approvals



Market Segments Eager for Efficiencies



Demand

- Lower Margin Industries Seek Efficiency and Lower Costs
- Class 3 deployment dialogues with 10+ major customers
- Advanced Discussions to Offer Flux Class 3 as OEM option
- Expanding Product Line to Meet Request for Larger Solutions

Supply-side

- Assembly capacity for \$1.5M in Class 3 Packs per Month
- Completed “large pack” assembly line development for GSE and Class 1 and “medium pack” assembly line for End Riders and Class 2

Initiatives to achieve +30% gross margins

- Next-Gen Battery Management System (BMS)
- Cell Purchasing Improvements
- Design Cost Reductions
- Volume & sourcing efficiencies
- Assembly efficiencies and utilization
- Unit Pricing from new features

Experienced Leadership



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.



Jon Berry: COO

Headed ops at Clean Air Power, converter of natural gas for trucks & heavy equip. Senior positions at Alstom Transport, PACCAR UK and Pilkington Aerospace.



Paulus Geantil: Chief Technical Off.

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



Tod Kilgore: Director of Sales

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



Chris Anthony: Chairman

Entrepreneur and co-founder/former COO of EV pioneer, Aptera Motors and Epic Boats.



Michael Johnson: Director

CEO of Esenjay Petroleum Corp, Texas Gulf Coast oil and gas exploration for 35 years. Largest shareholder of Flux Power.



James Gevarges: Director

CEO/co-founder of LHV Power Corp, low and high voltage power supplies since 1991. Electrical engineering degree from Louisiana State University.



Sir Nigel Burney: Advisory Board

Entrepreneur & investor with global business relationships, specializing in financing microcap businesses. Law degree from Trinity College, Cambridge.



Steven Capelli: Advisory Board

25+ yrs leading & advising high tech companies to revenue & margin growth, & strategic acquisitions. Senior leadership at Sybase and Pyramid Tech.

Flux Financial Snapshot (OTCQB: FLUX)



Closing Price (12/20/18)	\$1.40
52 Week Range	\$0.14 – \$3.35
Shares Out	47M
Market Cap	\$66M
Borrowing on Inventory Lines of Credit *	\$4.4M
FY 2018 Revenue	\$4.1M
FY 2019 Revenue Estimate (significant upside potential)	\$8.5M

**\$4.4M short term notes.*

LiFT Pack Commercialization is Here

- Engaged with major customers representing over \$150M Class 3 opportunity
- Ramping production & sales of full product line – FY'18 revenue grew 300% to \$4M; FY'19 revenue expected to grow over 100% to \$8.5M

Compelling Value Proposition

- Frustration with performance and cost of lead acid batteries now has a solution
- Flux offers lower total cost of ownership via better performance, longer life, greater energy efficiency and no maintenance

Attractive Valuation Relative to Growth Rate/ Potential

- +100% revenue growth expected in each of the next two years
- \$66M EV vs. FY'20 estimated revenues >\$20M

Leadership and Validation

- UL Listing & OEM approvals validate performance and safety
- Fortune 500 early adopters

Thank you!



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LITHIUM ECOSYSTEM

