

Flux Power

Advanced Lithium-ion Battery Technology



Investor Presentation
OTC: FLUX



January 2019

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Who is Flux Power?

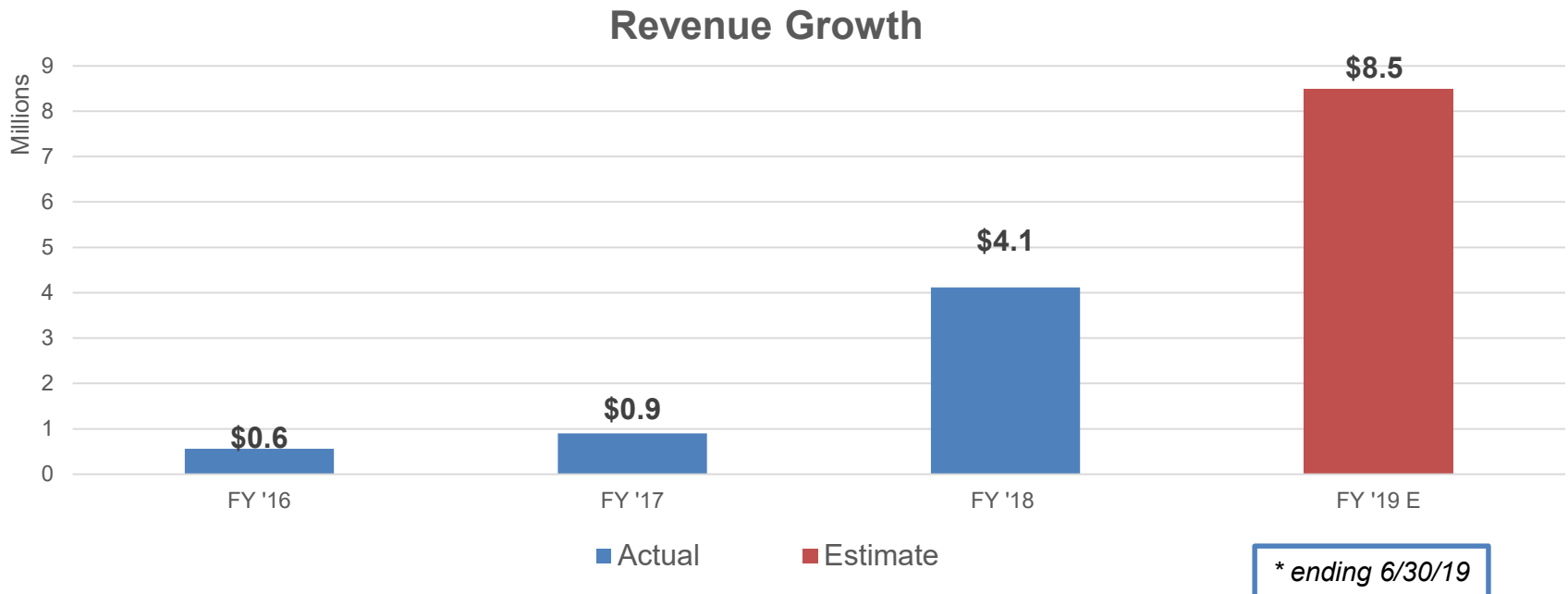
- **Manufacturer of lithium battery packs to replace legacy lead acid power**
 - Founded in 2009 and initially focused on autos
 - Pivoted to industrial equipment in 2013
 - Experienced team from Ford Motor, PACCAR, DHL, Visa, Pilkington Aerospace, Alstom and numerous startups

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



Why Flux?

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



Our Industry Leading Products

➤ 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






more recently.....

Equipment	Product Launched
Class 1 'counter balance'	Q4 '18
Class 2 'narrow aisle'	Q4 '18
Class 3 'end rider'	Q1 '19
Airport GSE	* Q2 & Q3 '18

** First shipments*

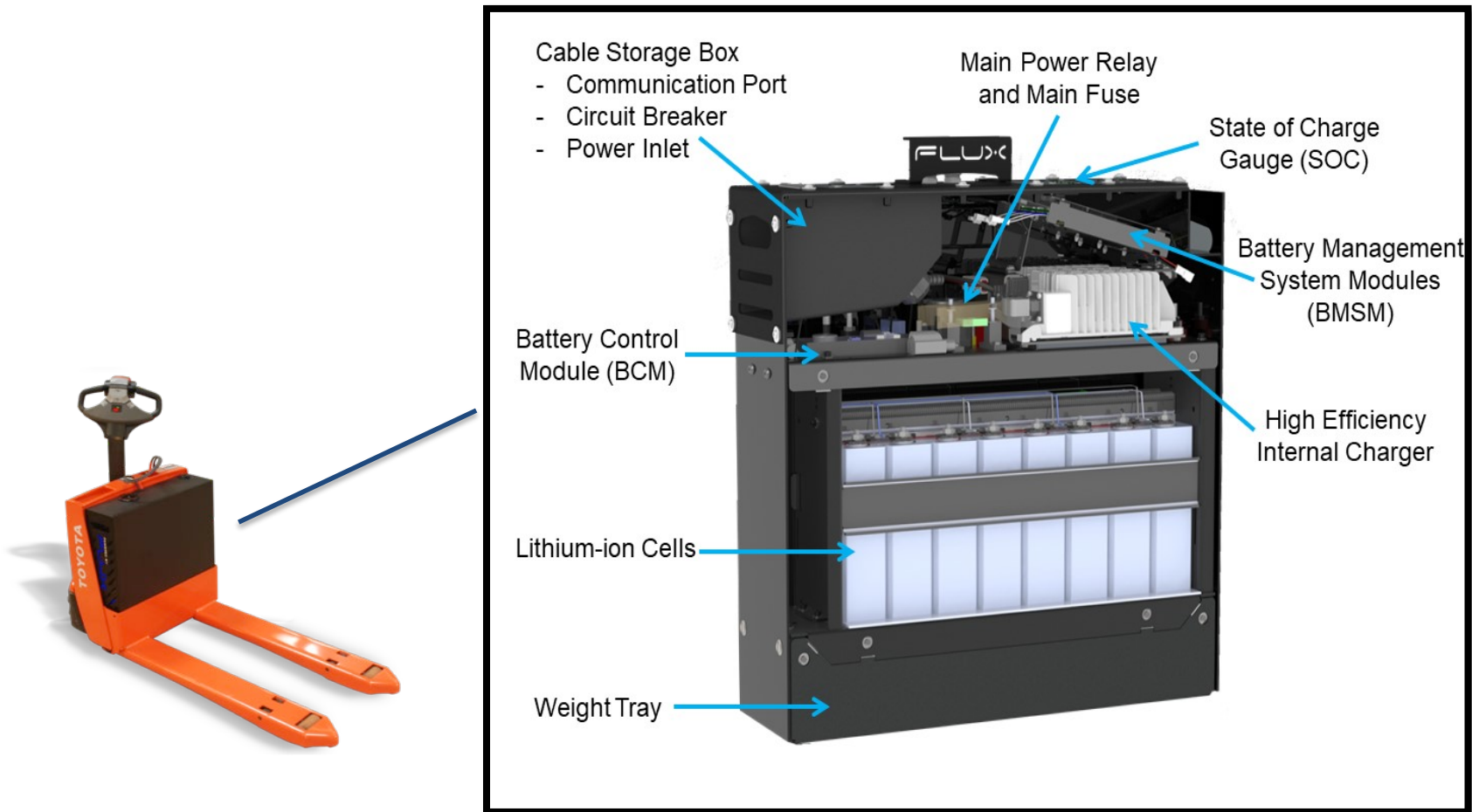


Flux Power Roadmap: Modular and Scalable

	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

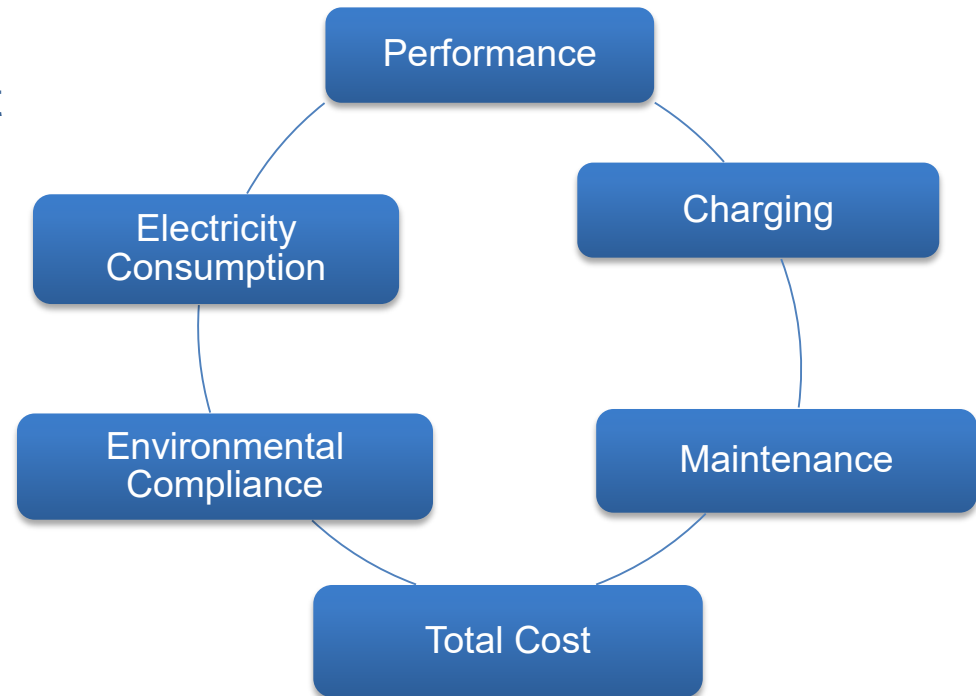
Flux Packs: Cells and Patented Electronics

- 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**



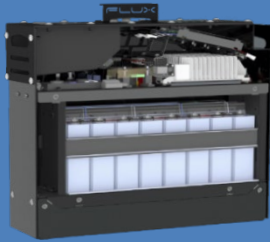
Lead Acid Batteries	Flux Lithium-Ion “LiFT Packs”
Power & Runtime Limitations	Run Longer Shifts
Less Efficient Energy Storage	30-50% Electricity Savings
1-2 Year Lifespan (Walkies)	5 Year Warranty (walkies)

Modular Designs For Full Product Line

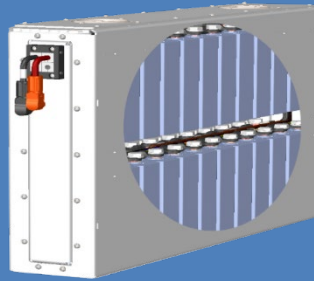
Launch 2014

Launch 2018 and Fits over 25 Models

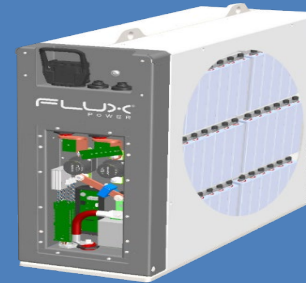
**1-Tier Pack
(Class 3 Walkie)**



**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%

- 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 Support 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 'Walkie' as OEM option
- Large customers with diverse forklift fleets want one solution provider

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

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.



Chris Anthony: Chairman and Co-Founder

former COO of EV pioneer, Aptera Motors and Epic Boats.



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.



Chuck Scheiwe: CFO

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



Paulus Geantil: CTO

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



Steve Fambro: Director of Projects

Executive success with high growth startups in Biotech, Automotive and VLSi Agricultur



Tod Kilgore: Director of Sales

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



Tim Vaughan: Engineering

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

Flux Financial Snapshot (OTCQB: FLUX)



Closing Price (1/14/19)	\$1.50
52 Week Range	\$0.35 – \$3.35
Shares Out	50.3M
Market Cap	\$70M
Borrowing on Inventory Lines of Credit *	\$2.4M
FY 2018 Revenue	\$4.1M
FY 2019 Revenue estimate (significant upside potential)	\$8.5M

* *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
- \$72M EV vs. FY'20 estimated revenues >\$20M

Leadership and Validation

- UL Listing & OEM approvals validate performance and safety
- Select Fortune 500 co's are early adopters

Thank you!



LiFT Pack Production – Vista, CA Headquarters

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LITHIUM ECOSYSTEM

