



*Proven Lithium-Ion Technology Poised to Displace  
Lead-Acid Batteries in Industrial Applications*



May 2017



## Forward Looking Statements:

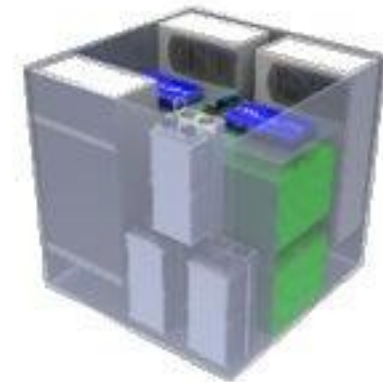
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# WHO IS FLUX POWER?

- Company founded in 2009
- Based in Vista, CA
- Proven Lithium Battery history & experience:
  - Electric Transport
    - Electric automobiles
    - Mine Exploration
    - Boats
  - Portable Power
  - Over \$7M in energy storage product sales
  - Highly capable & agile development team
- Evolved into Industrial transport niche in 2013



# OUR INDUSTRY LEADING PRODUCTS

- Focus on Industrial Transport market since 2013
- LiFT Pack introduced in 2014

Only pack tested & approved by major OEM's: Toyota, Raymond, and Crown Equipment

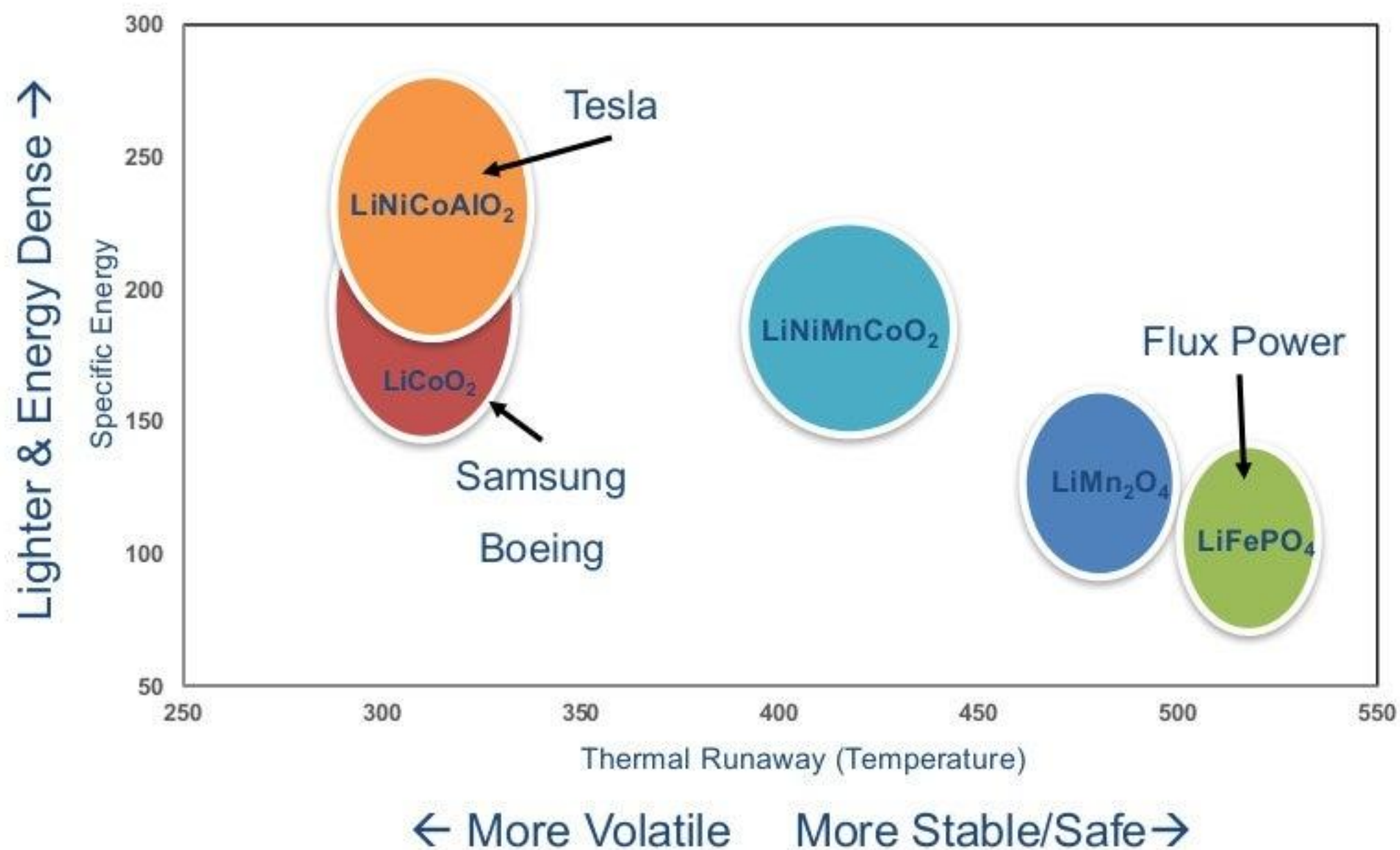
UL Approval 2016: first UL Listed pack in the forklift industry

Over 900 packs in service with customers

- Airport GSE pack launched in 2016
- Class 1 & 2 planned for Fall 2017
- Class 3 End Rider planned for Fall 2017







# FLUX SEEKS TO DISPLACE INDUSTRIAL LEAD-ACID POWER

## STARTING WITH FORKLIFTS AND AIRPORT GROUND SUPPORT EQUIPMENT

### Flux Value Proposition

- Superior performance + lower total cost vs. incumbent lead-acid batteries
- Environmental and safety benefits

### Flux Competitive Advantages

- First-mover in Class III lift truck market
- Only **UL Listed** Class III Lithium-Ion Pack – meets rigorous quality & safety standards
- Technical approvals from OEMs controlling 75% of Class III lift truck market
- Nationwide distribution and service network

### Additional Growth Channels

- Airport ground support equipment (GSE)
- Larger forklifts = End Riders and Class 1 & 2





# SOLVING DECADE'S-OLD ENERGY STORAGE DILEMMA

## Problem

Lead-acid batteries are frustrating

- *Runtime & performance limitations*
- *16 Hour charge / cooling cycle*
- *Short life span*
- *Require ventilation and regular water maintenance*
- *Clean up acid spills*

## Solution

Flux LiFT Packs perform

- *Longer run times and lifespan*
- *Faster & opportunity charging*
- *Lower total cost of ownership*
- *Virtually no maintenance*
- *Environmentally friendly*

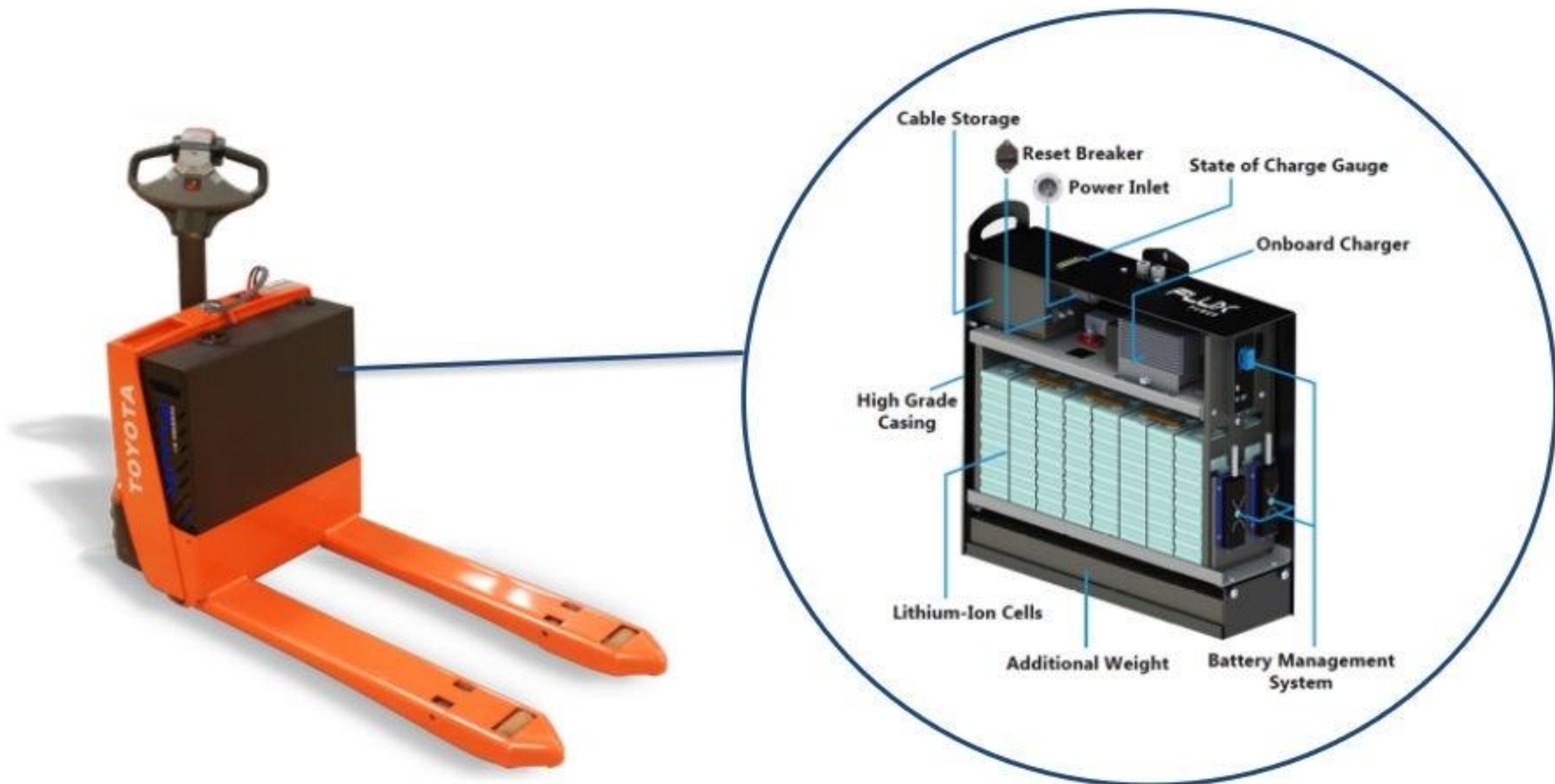


**Flux Removes Headaches + Cost from Supply Chains**

# INTRODUCING PLUG & PLAY LEAD-ACID BATTERY REPLACEMENT

## ***Flux's LiFT Pack is a New Paradigm for Forklift Power***

- *Class III Walkie Pallet Jack Used as "Proving Ground"*
- *Flux Now Poised to Ramp LiFT Pack Unit Sales*
- *Scaling Technology to Larger Material Handling Applications.*





# WALKIE PALLET JACK APPLICATIONS

Targeting material-handling intensive industries where supply chains are large and sophisticated, margins can be thin and efficiency is paramount.

- Beverages
- Grocery
- Food Processing
- Consumer Products



# FLUX TECH IS MODULAR & SCALABLE

Picture	Equipment	Trial Status	Details	Launch Date
	Class III Walkie	Complete	24 Volts; Lifts up to 4k lbs.	Apr 2014
	Class III End Rider	Developing prototype to meet UL requirements	24 volts but double size & power of Walkie	Oct 2017 (expected)
	Class 1 & 2	OEM's want prototype ASAP	36-48 volts - 6x energy of Walkie	Oct 2017 (expected)
	Airport Ground Service Equipment	Purchases and trials with several carriers and support of major dealer	72 volts and 300-600 amps	Feb 2017

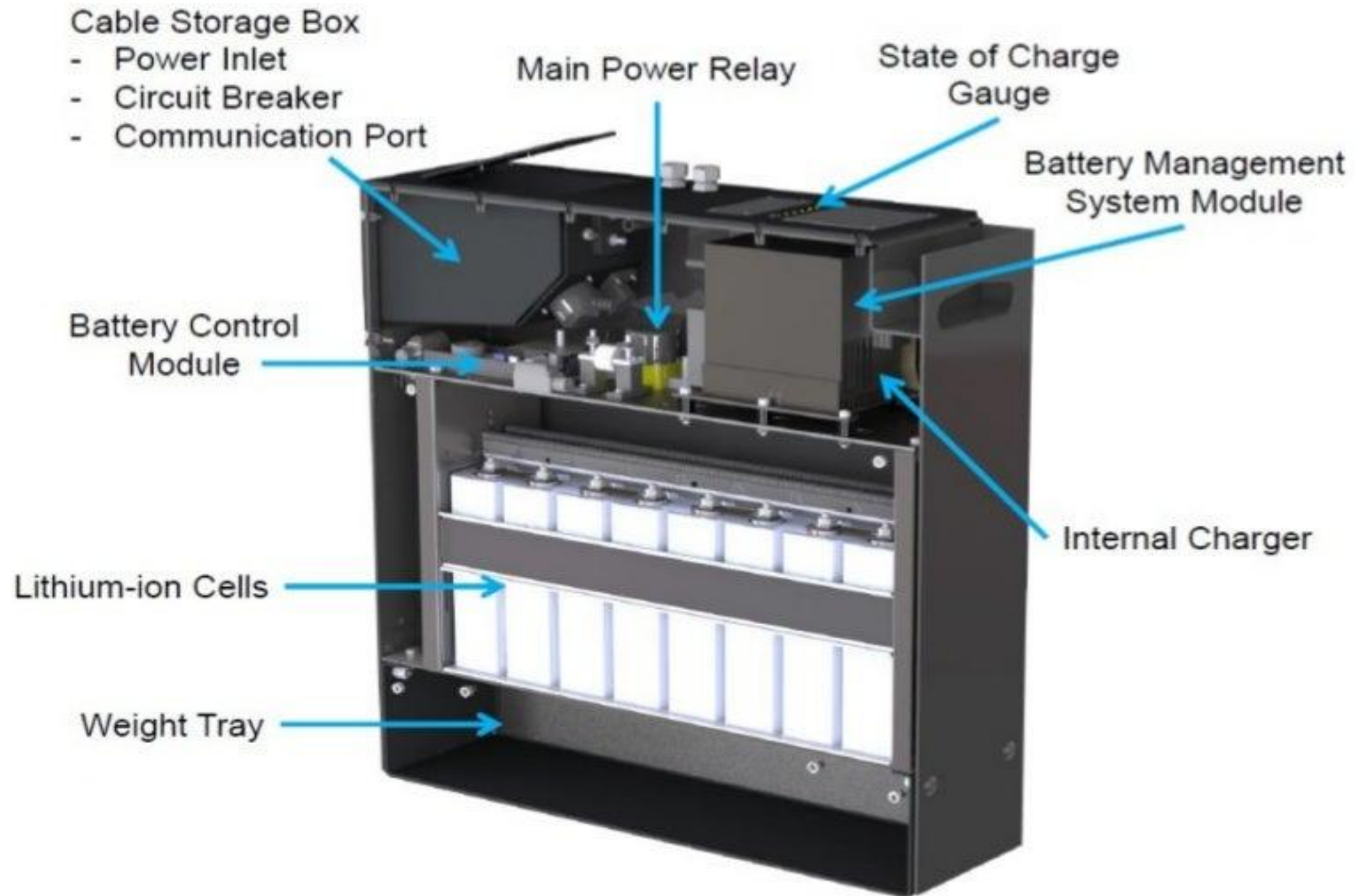


# ADDRESSABLE MARKET

- Flux established foothold in Class III and is ramping sales now
- Airport GSE packs delivered in February 2017
- Class 1 prototype packs planned for introduction in October 2017

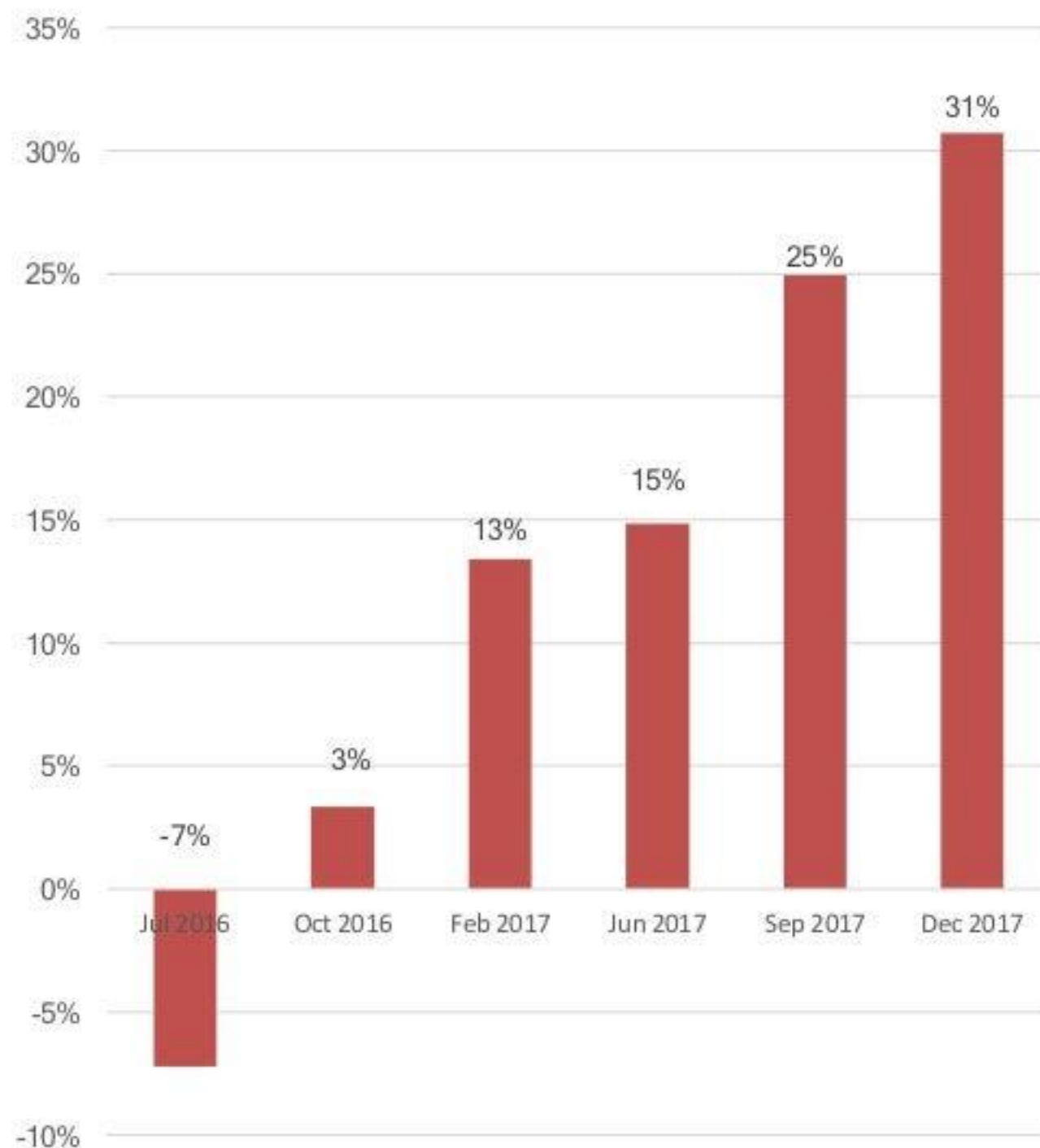
Segment	Equipment Market Size	Battery Average Selling Price	Flux Addressable Market
<b>Class III Forklifts</b>			
* Walkies	120,000	\$3,300	\$400M
* End Riders	125,000	\$9,000	\$1,125M
<b>Class I &amp; II Forklifts</b>	300,000	\$20,000	\$6,000M
<b>Airport GSE</b>	20,000	\$25,000	\$500M
Grand Total			<b>\$8,135M</b>

# WHAT'S IN THE FLUX LIFT PACK FOR WALKIE PALLET JACKS?





# GROWTH MARGIN PLAN



## Key Items: Jan -Dec

BMS 2.0      \$350    Sep

Pricing      \$200    Jan

Cells      \$120    Sep

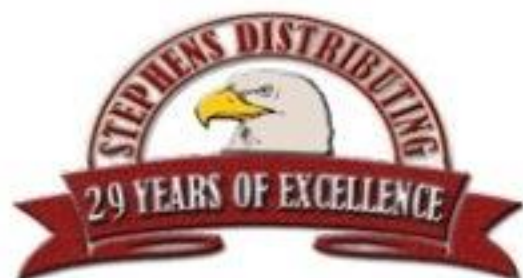
Volume      \$110    Dec

Design      \$50    Sep

\$920

## CURRENT CUSTOMERS

FLUX<sup>®</sup>  
POWER  
OTCQB: FLUX





# TESTIMONIALS



*"Toyota sees lithium-ion batteries as viable and in demand now. We're pleased the Flux LiFT-24V-TRW battery pack testing went well."*



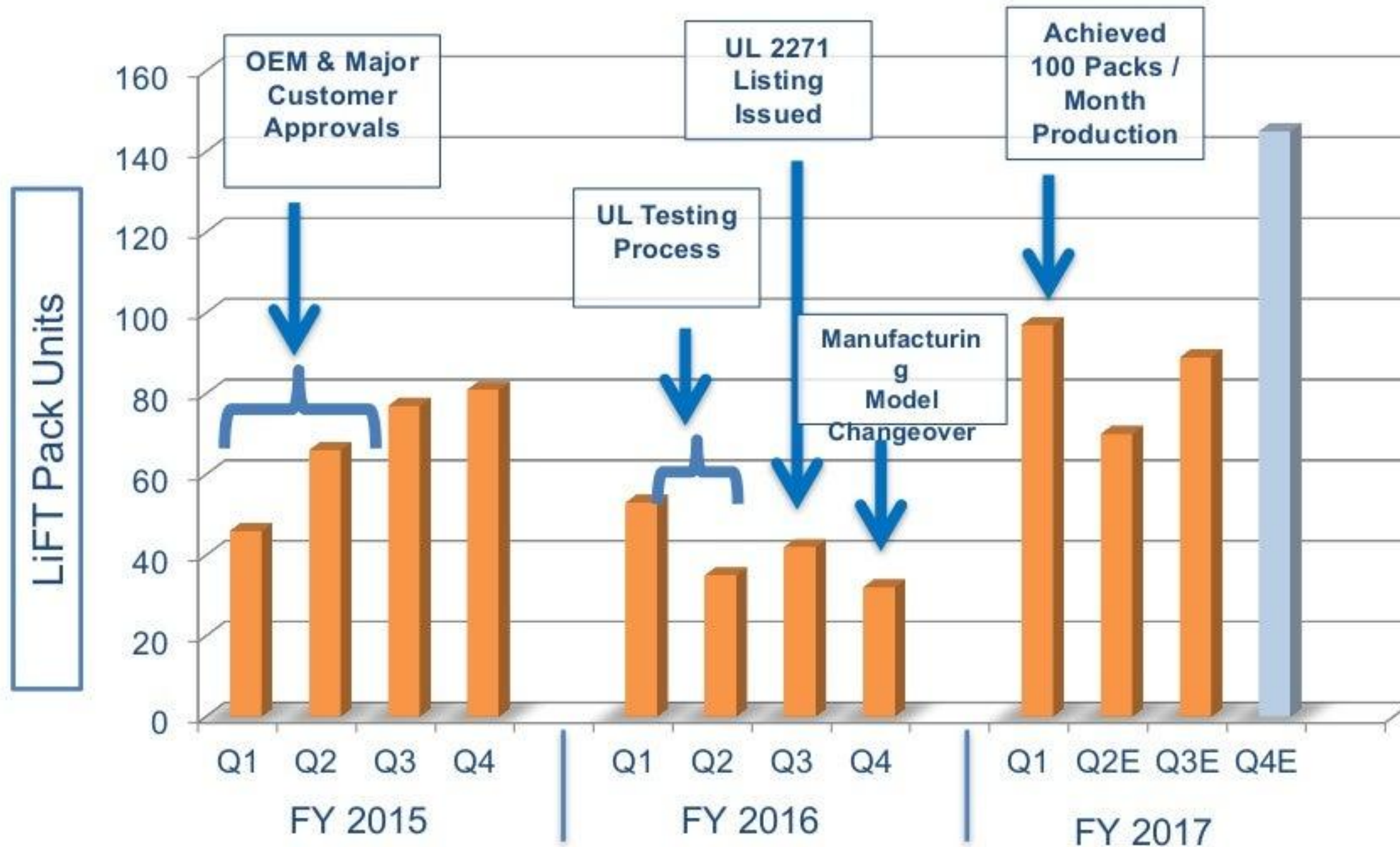
*"We are excited about the partnership with Flux Power and appreciate the continued education, support and training. It really makes a difference having a team behind the product and service."*



*"We've witnessed the performance benefits of lithium batteries in airport ground support equipment for three years. Our customers rave about the reliability and absence of maintenance."*

# RAMPING LiFT PACK PRODUCTION & SALES

Flux Targets FY 2017 Sales of 400 Walkie LiFT Pack Units





# STRONG WALKIE LIFT PACK CUSTOMER PIPELINE\*\*



OTCQB: FLUX

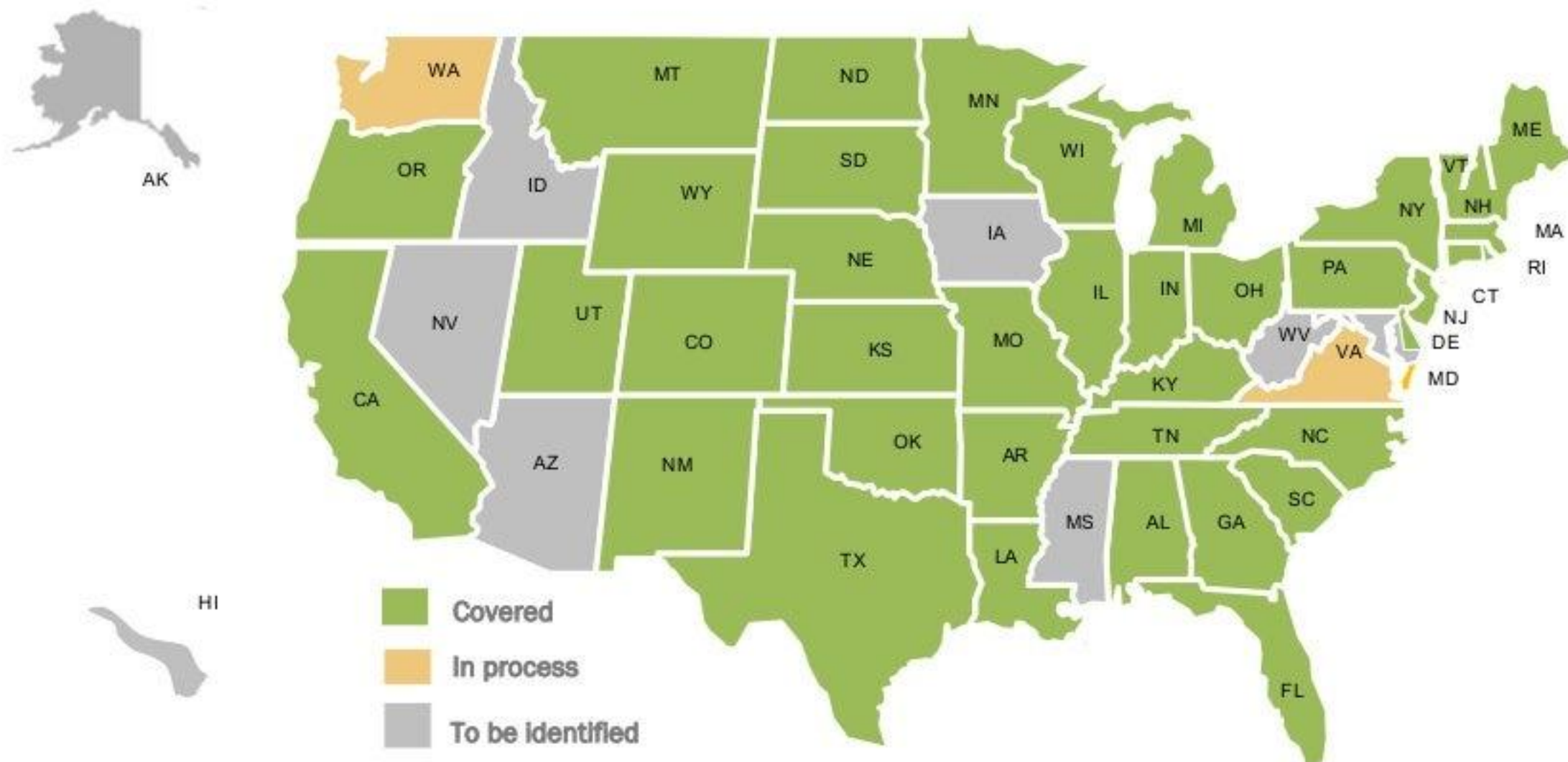
Segment	# of Customers	# Firms Piloting	Total # Cust's/ Firms Piloting	Cust. Revenue *	Estimated Walkies Per Segment*	Total LiFT Pack Opportunity via these Customers*
Beverage	2	--	2	>\$100B	7,000	\$24M
Consumer Products	17	1	18	>\$4.4B	327	\$ 1M
Food & Beverage	9	5	14	>\$98B	6,842	\$23M
Grocery	6	5	11	>\$59B	6,390	\$22M
Logistics/ Trucking	46	2	48	\$9B	900	\$ 3M
Retail - Specialty	1	1	2	\$9B	600	\$ 2M
<b>Total</b>	<b>81</b>	<b>14</b>	<b>95</b>	<b>--</b>	<b>22,059</b>	<b>\$75M</b>

\* Flux Estimates; \*\* Excludes GSE & End Riders

# BROAD DISTRIBUTION NETWORK

***In the three years, Flux has built nationwide distribution across 39 States:***

- 13 Major Regional Battery Distributors,
- Over 200 Equipment Dealers, and
- 3 leading OEMs





# BUSINESS ROADMAP / KEY MILESTONES

## Ramp LiFT Pack Production

Packs Per Month	Delivery Date / Target
100	September 2016
150	March 2017
300	November 2017

## Introduce Product Extensions

Additional Channel	Delivery Date / Target
Airport GSE	February 2017
End Rider (Stand-on)	October 2017
Class 1 & 2 (Sit-on)	October 2017

## Improve Gross Margins (design, sourcing, volume)

Gross Margin	Delivery Date / Target
6%	December 2016
15%	July 2017
31%	December 2017

# EXPAND PRODUCT OFFERINGS IN 2018

**FLUX**  
POWER  
OTCQB: FLUX

**More GSE  
opportunities!**



**Scrubbers and Sweepers!**



**Stationary Power!**



**Order Pickers, Stackers, Riders and Tow Tractors!**