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# Flux Sees Building Sales Momentum for Lithium-Ion Forklift Batteries and First Commercial Order for Airport Ground Service Equipment Battery

VISTA, Calif., Dec. 06, 2016 (GLOBE NEWSWIRE) -- Flux Power Holdings, Inc. (OTCQB:FLUX), a developer of lithium-ion batteries to replace lead-acid power in forklifts and other industrial equipment, today provided an operational update and confirmed that it continues to see growing demand for its lithium-ion LiFT Pack batteries to power Class III "walkie" pallet jack forklifts.

In addition to smaller trial purchase activity, Flux is beginning to secure larger LiFT Pack purchase orders, including two orders for a total of 45 LiFT Pack units. Flux also secured its first commercial order for a 80V 600 amp Airport Ground Support Equipment (GSE) Pack from a major GSE OEM, likely for delivery to a global shipping/logistics customer. The three purchase orders, which are cancelable, have a total value of approximately \$165,000 and will be recorded as revenue primarily in the third quarter ending March 31, 2017.

The LiFT Pack Purchase orders are from:

- A leading multinational provider of water and air treatment and energy services, and
- A [multinational](#) confectionery, [food](#) and [beverage](#) company.

## Supply Chain Disruption Impacts Q2 '17 Production & Shipments

Flux reported that the pace of its LiFT Pack production and sales in the current quarter had been significantly impacted by delays in the receipt of lithium cells for Flux's most popular 135 Ahe LiFT Pack model. The lithium cells, which were shipped from Asia, were delayed as a result of the bankruptcy of Hanjin Shipping Co. and the related halt of shipping activity in the region for many weeks.

Cells anticipated for arrival by early October were delayed by the bankruptcy and received by Flux in late November. Flux is now in the process of accelerating production in an effort to catch up with its targeted production pace of 100 packs per month.

Reflecting the Hanjin delays, as well as a few other vendor-based supply chain delays, Flux expects to record Q2' 17 revenues of \$120k-\$180k versus \$106k in Q2 '16. For the first six months of 2017 Flux expects to report revenues of \$413k - \$473k compared to revenues of \$277k in the comparable FY 2016.

## Other Q2 Developments

Flux also reported that it has secured several new distribution partners and that it is seeing increasing in-bound interest in its LiFT Pack product line. The Company is also ramping its sales and marketing outreach to reengage with customers who have previously piloted its

earlier generation packs and have been waiting for Flux to be able to support their needs on a timely basis.

Flux also reported that it recently received UL 2271 Listing for its 95 Ahe LiFT Pack solution, paving the way for Flux to respond to customer requests for a lower-power pallet jack solution. Shipments of the 95 Ahe solution are expected to begin by the end of Q2 '17.

CEO, Ron Dutt, commented, "Our customers to date have been keen to replace their old batteries in real-time with our LiFT Packs. Having implemented our model changeover and finally put in place a high-quality assembly and design process at our Vista factory, Flux is positioning itself to be able to meet ramping customer demand for our lithium solution. Of course there are bumps along the way – such as the Haijin supply bottleneck – but with each passing week our production team is building its capacity to grow our production volumes with both efficiency and high quality."

**About Flux Power Holdings, Inc. ([www.fluxpwr.com](http://www.fluxpwr.com))**

Flux Power develops advanced lithium-ion batteries for industrial uses, including its first-ever UL 2271 Listed lithium-ion "LiFT Pack" forklift batteries. Flux solutions utilize its proprietary battery management system (BMS) and in-house engineering and product design. Flux batteries deliver improved performance, extended cycle life and lower total cost of ownership than legacy lead-acid solutions. Flux sells primarily to lift equipment OEM's, their dealers and battery distributors. Products include advanced battery packs for motive power in the lift equipment, airport ground support equipment, and portable power markets, as well as specialized equipment such as robotic mining equipment.

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Media & Investor Relations:

Catalyst Global LLC

Chris Eddy

212-924-9800

flux@catalyst-ir.com



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