

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 6, 2025

FLUX POWER HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

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| <u>Nevada</u> (State or Other Jurisdiction of Incorporation) | <u>001-31543</u> (Commission File Number) | <u>92-3550089</u> (IRS Employer Identification No.) |
| <u>2685 S. Melrose Drive, Vista, California</u> (Address of Principal Executive Offices) | | <u>92081</u> (Zip Code) |
| | <u>877-505-3589</u> (Registrant's telephone number, including area code) | |

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|---------------------------------|----------------|---|
| Common Stock, \$0.001 par value | FLUX | Nasdaq Capital Market |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

The information contained in Item 5.02 is incorporated by reference in this Item 1.01.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On March 10 2025, Mr. Ronald F. Dutt notified the board of directors (the "Board") of Flux Power Holdings, Inc. (the "Company") of his decision to retire and resign from his position as director, Chairman of the Board, Chief Executive Officer and President of the Company and its wholly owned subsidiary, Flux Power, Inc. ("Flux Power"), effective March 10, 2025 (the "Resignation Date"). Mr. Dutt's stepping down is for personal reasons and not due to any disagreement with the Company's management team or the Company's Board on any matter relating to the operations, policies or practices of the Company or any issues regarding the Company's accounting policies or practices.

In connection with Mr. Dutt's retirement, the Board appointed Mr. Dale T. Robinette as the new Chairman of the Board, effective March 10, 2025. Mr. Robinette currently serves as an independent director, lead independent director, chairperson of the Compensation Committee, and a member of both the Audit Committee and the Nominating and Governance committee. In addition, the Board appointed Mr. Krishna Vanka as the director, Chief Executive Officer and President of the Company and Flux Power, effective March 10, 2025.

Mr. Vanka's Business Experience

Krishna Vanka, age 42. Mr. Vanka has over 18 years of experience in building, scaling, managing and transforming technology companies in sectors including renewable energy, electric vehicle charging, and others. Mr. Vanka has served as SVP & Chief Digital Officer (CEO of Digital Division) at Fluence Energy, Inc. (Nasdaq: FLNC), from August 2022 to January 2024. In this role, he was responsible for the company's strategic growth, profitability, and operational execution, achieving a 300% increase in Annual Recurring Revenue (ARR) and overseeing a fivefold expansion in Assets Under Management (AUM). He played a key role in integrating product lines of two cloud-based software offerings, Mosaic and Nispera, into a unified platform, driving innovation in Fluence's software offerings, including Battery Management Systems (BMS), IoT devices, and Core OS. Mosaic was recognized for its state-of-the-art machine learning algorithms and AI-driven capabilities, winning Time magazine's 2022 Best Innovations award in the software category. Prior to joining FLNC, Mr. Vanka was a founding team member and Chief Product Officer at InCharge Energy from November

2020 to August 2022, where he led product development and technology strategy for EV fleet charging solutions. From April 2018 to November 2020, he was the founder and Chief Executive Officer of MyShoperoo Inc, an enterprise-focused on-demand shopping platform that optimized last-mile delivery efficiency through intelligent aggregation algorithms. Mr. Vanka holds a Bachelor of Applied Science in Computer Engineering from the University of Ottawa and an MBA from Georgia State University. He has also completed executive leadership programs at UC Berkeley, including coursework in Artificial Intelligence for Business Strategies.

Employment Agreement with Mr. Vanka

On March 10, 2025, the Company entered into an executive employment agreement with Mr. Vanka, pursuant to which he will serve as the Chief Executive Officer and President of the Company (the "Employment Agreement"). Pursuant to the terms of the Employment Agreement, Mr. Vanka will receive an annual base salary of \$400,000, subject to annual performance reviews by the Board or Compensation Committee. As an initial incentive for achieving key financial milestones, Mr. Vanka will be awarded a cash bonus of \$100,000 if the Company's average EBITDA is net positive over the next nine months (end of the calendar year). Beginning fiscal year 2026, Mr. Vanka will have the ability to achieve a cash bonus of up to 150% of base salary based on budget performance goals as determined by the Board or the Compensation Committee. Beginning fiscal year 2026, Mr. Vanka will be granted time-based restricted stock units ("Time RSUs") equivalent to 50% of his base salary, vesting in three (3) equal annual installments over three (3) years. He will also be eligible for performance-based restricted stock units ("PSUs"), with a target of 50% of his base salary and a maximum of 150%, based on budget performance goals. Any earned PSUs will cliff-vest on the third (3rd) anniversary of the grant date.

Additionally, the Employment Agreement provides that, Mr. Vanka may be terminated at any time by the Company with or without cause. If Mr. Vanka is terminated without cause or upon a Change in Control (as defined in the Employment Agreement), he will receive: (a) twelve (12) months of base salary paid in a lump sum; and (b) twelve (12) months of continued life, medical, and dental insurance coverage, with the Company covering the cost subject to the same employee contribution as active employees. Additionally, in the event of a Change in Control termination, Time RSUs and any PSUs, for which the performance criteria are satisfied, will be subject to double-trigger acceleration. Mr. Vanka is subject to a non-compete obligation during the term of his employment and confidentiality obligations that extend beyond termination. The Employment Agreement also includes other customary clauses and arrangements.

Except as otherwise disclosed in this Current Report on Form 8-K, there are no arrangements or understandings with any other person pursuant to which Mr. Vanka was appointed as director and Chief Executive Officer of the Company. There are also no family relationships between Mr. Vanka and any of the Company's directors or executive officers. Except as disclosed in this Current Report on Form 8-K, Mr. Vanka has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

The foregoing summary of the Employment Agreement is qualified in its entirety by reference to the full terms of the agreements, which is attached as Exhibits 10.1, to this Current Report on Form 8-K and incorporated herein by reference.

Amendment to Employment Agreement and Separation and Release with Mr. Dutt

To ensure a smooth transition, on March 10, 2025, the Company entered into an Amendment to Mr. Dutt's Amended and Restated Employment Agreement, dated February 17, 2021 (the "Amendment to Dutt Employment Agreement," and together with the Amended and Restated Employment Agreement, the "Dutt Employment Agreement"). Under this amendment, Mr. Dutt may provide services and answer questions on an as-needed basis as a senior advisor and will be compensated based on his current monthly salary in the amount of \$32,187.50 through March 2025, unless terminated earlier pursuant to its terms. Mr. Dutt will report to the Chief Executive Officer or his designee.

In addition, the Company and Mr. Dutt also agreed to enter into separation and release agreement ("Separation Agreement"), which includes the contemplated terms of the payments and benefits in exchange for the release and other agreements set forth therein (the "Severance Benefits") with Mr. Dutt, including: (a) a cash severance payment of \$386,250.02, equivalent to twelve (12) months of his base salary as of the Resignation Date to be paid pro ratably over twelve (12) months; and (b) a monthly cash payment for twelve (12) months in an amount of \$4,034.20 for health insurance coverage. Mr. Dutt's Separation Agreement includes a customary general release of claims in favor of the Company and certain related parties.

The foregoing summaries of the Amendment to Dutt Employment Agreement and Separation Agreement are qualified in their entirety by reference to the full terms of the agreements, which are attached as Exhibits 10.2 and Exhibit 10.3, to this Current Report on Form 8-K and incorporated herein by reference.

Item 5.08 Shareholder Director Nomination.

To the extent applicable, the information in Item 8.01 of this Current Report on Form 8-K is incorporated by reference into this Item 5.08.

Item 7.01. Regulation FD Disclosure.

On March 10, 2025, the Company issued a press release announcing the appointment of Mr. Krishna Vanka as Chief Executive Officer, President and Director of the Company, a copy of which is furnished herewith as Exhibit 99.1 to this Current Report on Form 8-K.

The information included in this Current Report on Form 8-K under this Item 7.01 (including Exhibit 99.1 hereto) is being "furnished" and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of Section 18, nor shall it be incorporated by reference into a filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing. The information included in this Current Report on Form 8-K under this Item 7.01 (including Exhibit 99.1 hereto) will not be deemed an admission as to the materiality of any information required to be disclosed solely to satisfy the requirements of Regulation FD.

Item 8.01 Other Events.

On March 6, 2025, the Board of the Company established May 28, 2025 as the date of the Company's 2025 Annual Meeting of Stockholders (the "2025 Annual Meeting") which will be held virtually online by means of remote communication. The record date for the 2025 Annual Meeting is April 8, 2025. Stockholders owning the Company's common stock at the close of business on the record date, or their legal proxy holders, are entitled to vote at the 2025 Annual Meeting. The Company however reserves the right to change the record date or the meeting date.

Because the date of the 2025 Annual Meeting is being advanced by more than 30 days from the anniversary date of the Company's 2024 Annual Meeting of Stockholders ("2024 Annual Meeting"), the deadline for stockholders nominations or proposals for consideration at the 2025 Annual Meeting set forth in the Company's 2024 Proxy Statement no longer applies. As such, the Company is filing this Current Report on Form 8-K to inform stockholders of this change and to provide the due date for the submission of any qualified stockholder proposals or qualified stockholder director nominations.

Stockholders of the Company who wish to have a proposal considered for inclusion in the Company's proxy materials for the 2025 Annual Meeting pursuant to Rule 14a-8 under the Exchange Act must ensure that such proposal is delivered to or mailed to and received by the Company's Secretary at Flux Power Holdings, Inc., 2685 S. Melrose Drive, Vista, California 92081 not later than the close of business on March 25, 2025, which the Company has determined to be a reasonable time before it expects to begin to

print and distribute its proxy materials. Such proposals must comply with all applicable procedures and requirements of Rule 14a-8.

Any stockholder who intends to submit a director nomination or who intends to submit a proposal regarding any other matter of business at the 2025 Annual Meeting other than in accordance with Rule 14a-8 or otherwise must similarly make sure that such nomination or proposal and related notice, including any notice on Schedule 14N, comply with all applicable SEC rules, Nevada corporate and the Company's Amended and Restated Bylaws, and are delivered to, or mailed and received at, the Company's principal executive offices on or before the close of business on March 25, 2025. Any director nominations and stockholder proposals received after the March 25, 2025 deadline will be considered untimely and will not be considered for inclusion in the proxy material for the 2025 Annual Meeting nor will it be considered at the 2025 Annual Meeting.

Item 9.01 Financial Statements and Exhibits.

| <u>Exhibit No.</u> | <u>Exhibit Description</u> |
|--------------------|--|
| 10.1 | Executive Employment Agreement with Krishna Vanka |
| 10.2 | Amendment to the Amended and Restated Employment Agreement with Ronald F. Dutt |
| 10.3 | Separation and Release Agreement with Ronald F. Dutt |
| 99.1 | Press Release dated March 10, 2025 |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Flux Power Holdings, Inc.
a Nevada corporation

By: /s/ Kevin Royal
Kevin Royal, Chief Financial Officer

Dated: March 10, 2025

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT (this “Agreement”) is made and entered into as of March 10, 2025 (the “Effective Date”), by and between Flux Power Holdings, Inc., a Nevada corporation with its principal place of business at 2685 S. MELROSE DRIVE, VISTA CA 92081 (the “Company”), and Krishna Vanka, an individual residing in the state of California (“Employee”). Employee and the Company also referred to herein each as a “party” and collectively as “parties.”

RECITALS

WHEREAS, Company desires to engage the services of the Employee and Employee desires to provide such services pursuant to the terms of this Agreement;

WHEREAS, the Company and Employee desire to formally memorialize and set forth the terms and conditions pursuant to which Employee is employed by the Company;

WHEREAS, the Company recognizes that Employee has gained extensive knowledge and experience in Employee’s career, and that such knowledge and experience have significant value to the Company; and

WHEREAS, the Company and Employee desire that Employee provide such knowledge and experience to the Company subject to the provisions set forth herein.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Company and Employee hereby agree as follows:

AGREEMENT

Section 1. Definitions.

(a) “Accrued Obligations” shall mean: (i) all accrued but unpaid Base Salary through the date of termination of Employee’s employment, (ii) all accrued but unused PTO through the date of termination of Employee’s employment, and (iii) any unpaid or unreimbursed expenses incurred in accordance with Section 6 below.

(b) “Base Salary” shall mean the salary provided for in Section 3(a) below or any increased or decreased salary pursuant to Section 3(a), exclusive of any other compensation received by Employee regardless of form.

(c) “Board” shall mean the Board of Directors of the Company.

(d) “Cause” shall mean: (i) Employee’s willful and material failure to provide the Services required by this Agreement, including, but not limited to, Employee’s bad faith failure to obey any lawful directive of the Company’s Board, (ii) a breach of the Employee’s duty of loyalty to the Company, (iii) a breach of Employee’s fiduciary duties to the Company (iii) Employee’s personal dishonesty or willful misconduct in the performance of his duties to the Company, (iv) Employee’s conviction of, or plea of guilty or no contest to, a felony involving moral turpitude that materially and demonstrably injures the Company, and/or (v) Employee’s material breach of this Agreement after receiving written notice from the Company and failing to cure such breach within a reasonable period (not less than 30 days). Except as set forth above, any determination of “Cause” shall be reasonably determined by the Board in good faith.

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(e) “Compensation Committee” shall mean the Company’s Compensation Committee of the Board.

(f) “Change in Control” shall mean an event involving one transaction or a related series of transactions, in which: (i) the Company issues securities equal to 50% or more of the Company’s issued and outstanding voting securities, determined as a single class, to any individual, firm, partnership, limited liability company, or other entity, including a “group” within the meaning of Exchange Act Rule 13d-3, (ii) the Company issues voting securities equal to 50% or more of the issued and outstanding voting stock of the Company in connection with a merger, consolidation other business combination, (iii) the Company is acquired in a merger, consolidation, combination or reorganization in which the Company is not the surviving company, or (iv) all or substantially all of the Company’s assets are sold or transferred. For the purpose of “Change in Control” definition, the term “Company” will be interpreted to include the Flux Power, Inc., a California corporation, if applicable.

(g) “Change in Control Termination” shall have the meaning set forth in Section 7(e).

(h) “Code” shall mean the Internal Revenue Code of 1986, as amended.

(i) “Company” shall have the meaning set forth in the preamble hereto.

(j) “Competitive Activities” shall mean any business activities involving, or related to: (i) the design, develop, manufacture, supply, sale, distribution and support of lithium-ion battery and related products, and/or (ii) any other products or services which the Company or its subsidiaries design, develop, manufacture, supply, sell, distribute or provide (or have committed plans to develop, design, supply, manufacture, sell, distribute or provide) during the term of Employee’s employment by the Company.

(k) “Confidential Information” shall mean all confidential information, proprietary information, and/or Trade Secret Information belonging to the Company including, but not limited to, customer lists, customer identities and information, information regarding service providers, manufacturing processes, product designs or other intellectual property, marketing data or plans, sales data or plans, management organization information, operating policies or manuals, business plans, operations or techniques, financial records or data, or other financial, commercial, business or technical information: (i) of or relating to the Company or any of its subsidiaries, or (ii) that the Company or any of its subsidiaries may receive belonging to suppliers, customers or other Persons who do business with the Company or its subsidiaries. However, Confidential Information shall not include any information that is in the public domain or hereafter enters the public domain, in each case, without the breach by Employee of Employee’s obligations under this Agreement.

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(l) “Developments” shall have the meaning set forth in Section 8.

(m) “Disability” shall mean the Employee’s inability, due to physical or mental incapacity, to perform the essential functions of the Employee’s job, with or without reasonable accommodation, for one hundred eighty (180) days out of any three hundred sixty-five (365) day period. Any question as to the existence of the Employee’s Disability as to which the Employee and the Company cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to the Employee and the Company. The determination of Disability made in writing to the Company and the Employee shall be final and conclusive for all purposes of this Agreement.

(n) “Effective Date” shall have the meaning set forth in the preamble.

(o) “Employee” shall have the meaning set forth in the preamble hereto.

(p) “Parachute Payment” shall have the meaning set forth in Section 12(b).

(q) “Person” shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization or other form of business entity.

(r) “Release Expiration Date” shall mean the date which is twenty-one (21) days following Employee’s termination of employment, or, in the event that such termination of employment is “in connection with an exit incentive or other employment termination program” (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date which is forty-five (45) days following Employee’s termination of employment.

(s) “Release” shall mean a written release agreement signed by Employee in favor of the Company, its subsidiaries, its affiliates, and any other Persons required by the Company, which shall be in a form and which shall contain content acceptable to the Company, and which shall include, in addition to any other terms required by the Company, appropriate non-disparagement provisions, appropriate confidentiality provisions, and a general release pursuant to California Civil Code §1542.

(t) “Services” shall mean such duties as are customarily performed by one holding such the position of CEO and President in other businesses or enterprises of the same or similar nature, as well as such other duties and responsibilities as the Company’s CEO, President, and/or the Board shall reasonably assign to Employee from time to time, including duties and responsibilities relating to the Company’s wholly-owned and partially owned subsidiaries and other affiliates.

(u) “Term of Employment” shall have the meaning set forth in Section 2(a) below.

(v) “Trade Secret Information” shall mean means information belonging to the Company, including formulas, patterns, compilations, programs, devices, methods, techniques, or processes, that derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use, and that is the subject of reasonable efforts by the Company to keep secret.

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Section 2. Employment by Company.

(a) Term of Employment; Employment Status; At-Will Employment Employee shall provide the Services pursuant to this Agreement from the Effective Date until the termination of Employee’s employment for any reason (such period, the “Term of Employment”). Employee shall be employed by the Company on an “at-will” basis, meaning either the Company or Employee may terminate Employee’s employment at any time, with or without Cause or advanced notice. Notwithstanding the foregoing, or anything to the contrary herein, nothing in this Agreement: (i) confers upon Employee the right to continue in the employment of the Company or to the right to hold any particular office or position with the Company, (ii) except as set forth herein, entitles Employee to receive any specified annual salary or bonus or other compensation or (iii) interferes with or restricts in any way the right of the Company to terminate Employee’s employment at any time, with or without Cause.

(b) Position. Company agrees to hire Employee in the position of Chief Executive Officer (“CEO”) and President of the Company. As the Company’s CEO and President, Employee shall report to the Board. The Employee further agrees to serve without additional compensation as an officer and director of any of the Company’s subsidiaries and agrees that any amounts received from such corporation may be offset against the amounts due hereunder. In addition, it is agreed that the Company may assign the Employee to one of its subsidiaries for payroll purposes, but such assignment shall not relieve the Company of its obligations hereunder.

(c) Employment Duties; Conflicting Activities. Employee shall devote Employee’s full business time, attention, skill, and best efforts to the performance of Employee’s duties under this Agreement and shall not engage in any other business or occupation during the Term of Employment, including, without limitation, any activity that: (i) conflicts with the interests of the Company or its subsidiaries, (ii) interferes with the proper and efficient performance of Employee’s duties for the Company, or (iii) interferes with the exercise of Employee’s duty to act in the Company’s best interests. Notwithstanding the foregoing, nothing herein shall preclude Employee from: (a) serving, with the prior written consent of the Board, as a member of the board of directors or advisory boards (or their equivalents in the case of a non-corporate entity) of non-competing businesses and charitable organizations, (b) engaging in charitable activities and community affairs, and (c) managing Employee’s personal investments and affairs; provided, however, that the activities set out in clauses (a), (b) and (c) shall be limited by Employee so as not to materially interfere, individually or in the aggregate, with the performance of Employee’s duties and responsibilities hereunder.

(d) Place of Employment. Except as authorized by the Company, Employee shall be required to provide the Services in-person at the Company’s headquarters in Vista, California (or such other location as may be designated as the Company’s corporate headquarters by the Board in its sole and exclusive discretion), although Employee understands and agrees that Employee will be required to travel from time to time for business reasons.

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Section 3. Compensation. As consideration for the Services, the representations and warranties contained herein, and performing the Employee’s other obligations under this Agreement:

(a) Base Salary. The Company shall initially pay the Employee an annualized Base Salary of \$400,000. On or before July 2026, and annually thereafter, the Employee’s Base Salary shall be reviewed by the Board or the Compensation Committee to assess performance and potential merit-based increases. Any such increases shall be determined in the sole and exclusive discretion of the Board or the Compensation Committee and will be paid in accordance with the regular payroll practices of the Company.

(b) Annual Bonus and Equity Compensation.

(i) Employee shall be eligible to receive an annual target cash bonus and/or awards of restricted stock units or other equity-based incentive upon any terms that may be established by the Board or the Compensation Committee in their sole and exclusive discretion.

(ii) As an initial incentive for achieving key financial milestones, you will be awarded a cash bonus of \$100,000 if the Company’s average EBITDA in net positive over the next nine months (end of the calendar year), indicating sustained profitability.

(iii) Beginning fiscal year 2026 (which begins July 2025), and in each fiscal year thereafter, the Employee will have the ability to achieve a cash bonus of up to 150% of Base Salary based on budget performance goals as determined by the Board or the Compensation Committee.

(iv) Beginning fiscal year 2026 (which begins July 2025), and in each fiscal year thereafter, the Employee will be granted a time-based restricted stock units under an approved equity incentive plan equal to 50% of the Employee’s Base Salary (“Time RSUs”). The Time RSUs will vest in three (3) equal annual installments until fully vested on the three-year anniversary of the applicable grant date, and be subject to double-trigger acceleration upon a change of control. The number of shares subject to the applicable Time RSUs will be determined by dividing 50% of the Employee’s then effective Base Salary by the closing price of the Company’s common stock on The NASDAQ Capital Market (or any national securities exchange or OTC market on which the Company’s common stock then trades)

on the day of the grant.

(v) Beginning fiscal year 2026 (which begins July 2025), and in each fiscal year thereafter, Employee will be granted a performance based restricted stock units (“PSUs”) under an approved equity incentive plan equal to a target of 50% of the Employee’s Base Salary which will be eligible to vest based on budget performance goals as determined by the Board or the Compensation Committee, including an opportunity to earn PSUs at a maximum level of up to 150% of the Employee’s Base Salary. Any PSUs for which the performance criteria are satisfied will cliff-vest on the third anniversary of the grant date, and be subject to double-trigger acceleration upon a change of control. The number of shares subject to the applicable PSUs will be determined by dividing 50% of the Employee’s then effective Base Salary by the closing price of the Company’s common stock on The NASDAQ Capital Market (or any national securities exchange or OTC market on which the Company’s common stock then trades) on the day of the grant.

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(c) Clawback Provisions. Any amounts payable under this Agreement are subject to any policy (whether in existence as of the Effective Date or later adopted) established by the Company providing for clawback or recovery of amounts that were paid to the Employee. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

Section 4. Employee Benefits. During the Term of Employment, Employee shall be entitled to participate in health, insurance, retirement, and other benefits provided to other senior executives of the Company, subject to any applicable terms and conditions. Also, during the Term of Employment, Employee shall be entitled to the same number of holidays, vacation days, sick days, and other benefits as are generally allowed to senior executives of the Company, subject to any policies and practices of the Company applicable thereto.

Section 5. Key-Man Insurance. At any time during the Term of Employment, the Company shall have the right to insure the life of Employee for the sole benefit of the Company, in such amounts, and with such terms as it may determine. All premiums payable thereon shall be the obligation of the Company. Employee shall have no interest in any such policy but agrees to cooperate with the Company in taking out such insurance by submitting to physical examinations, supplying all information required by each insurance company, and executing all necessary documents, provided that no financial obligation is imposed on Employee by any such documents.

Section 6. Reimbursement of Business Expenses. During the Term of Employment, Employee is authorized to incur reasonable business expenses necessary for the performance of the Services, and the Company shall promptly reimburse Employee for all such expenses following its receipt of any documentation required by the Company’s policies.

Section 7. Termination of Employment

(a) General. Notwithstanding Section 2, or anything to the contrary herein, the Term of Employment shall terminate upon the earliest to occur of: (i) Employee’s death, (ii) a termination of Employee’s employment by the Company with or without Cause, or (iii) a termination by Employee. Upon any termination of Employee’s employment for any reason, unless otherwise requested by the Company in writing, Employee shall immediately resign from any and all directorships, committee memberships, or any other positions Employee holds with the Company or any of its subsidiaries or affiliates that the Employee did not automatically cease to hold as the result of Employee’s termination.

(b) Termination due to Death or Disability. Employee’s employment shall terminate automatically upon Employee’s death and the Company may terminate Employee’s employment on account of the Employee’s Disability. In the event Employee’s employment is terminated due to Employee’s death or Disability, Employee’s estate or beneficiaries, as the case may be, shall be entitled to the Accrued Obligations. Following such termination of Employee’s employment by the reason of death or Disability, except as set forth in this Section 7(b), Employee shall have no further rights to any compensation or any other benefits under this Agreement.

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(c) Termination by the Company for Cause. The Company may terminate Employee’s employment at any time for Cause. In the event the Company terminates Employee’s employment for Cause, Employee shall be entitled only to the Accrued Obligations. Following such termination of Employee’s employment for Cause, except as set forth in this Section 7(c), Employee shall have no further rights to any compensation or any other benefits under this Agreement.

(d) Termination by the Company without Cause. The Company may terminate Employee’s employment at any time without Cause. In the event Employee’s employment is terminated by the Company without Cause (other than due to death) during the Term of Employment, Employee shall be entitled to receive:

(i) The Accrued Obligations; and

(ii) Subject to the limitations set forth in Section 12(b), within thirty (30) days (or forty-five (45) days in the event that such termination of employment is “in connection with an exit incentive or other employment termination program” (as such phrase is defined in the Age Discrimination in Employment Act of 1967)) after the date that Employee executes and delivers a Release to the Company, or, to the extent required by Section 409A of Code, on the first day of the seventh month following such date, and subject to the Release under Section 7(i), as a severance payment for services previously rendered to the Company, a lump sum equal to twelve (12) months of Base Salary (at the rate in effect immediately prior to the date Employee’s employment terminates).

Following such termination of Employee’s employment without Cause, except as set forth in this Section 7(d) and Section 7(h), Employee shall have no further rights to any compensation or any other benefits under this Agreement.

(e) Change in Control Termination. If (i) a Change in Control occurs during the Term of Employment, (ii) within twenty-four (24) months after the effective date of such Change in Control, the occurrence of one or more of the following conditions; (X) failure by the Company to comply with any provision of this Agreement, (Y) reduction of Employee’s Base Salary without the prior written consent of the Employee, or (Z) a substantial and material diminution in Employee’s title, duties or responsibilities which the Employee currently maintains without the prior written consent of the Employee, and (iii) within ninety (90) days thereafter Employee or the Company terminates Employee’s employment (an employment termination that satisfies the foregoing conditions, a “Change in Control Termination”), then Employee shall be entitled to receive:

(i) The Accrued Obligations; and

(ii) Subject to the limitations set forth in Section 12(b), within thirty (30) days (or forty-five (45) days in the event that such termination of employment is “in connection with an exit incentive or other employment termination program” (as such phrase is defined in the Age Discrimination in Employment Act of 1967)) after the date that Employee executes and delivers a Release to the Company or, to the extent required by Section 409A of the Code, on the first day of the seventh month following such date, and subject to the Release under Section 7(i), a lump sum equal to twelve (12) months of Base Salary in effect immediately prior to the date Employee’s employment terminates (without regard to any decrease in the rate of Employee’s Base Salary made after such Change in Control).

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Following such termination of Employee's employment, except as set forth in this Section 7(e) and Section 7(h) of this Agreement, Employee shall have no further right to any compensation or any other benefits under this Agreement.

(f) **Termination by Employee.** Employee may terminate Employee's employment with the Company at any time. In the event of a termination of employment by Employee, other than a termination of employment by Employee that qualifies as a Change in Control Termination, Employee shall be entitled only to the Accrued Obligations. Following such termination by Employee, except as set forth in this Section 7(f), Employee shall have no further rights to any compensation or any other benefits under this Agreement.

(g) **Benefits.** Upon the occurrence of a termination of Employee's employment pursuant to Sections 7(d) or (e), the Company shall also cause to be continued, for a period of twelve (12) months, such life, medical and dental insurance coverage as is otherwise maintained by the Company for full-time employees (based on the Base Salary in effect immediately prior to the date Employee's employment terminates), subject to the limitations set forth in such plans, programs or policies, provided that Employee shall continue to pay all amounts in respect of such coverage that an employee receiving the same level of coverage is or would be required to pay (the employee contribution).

(h) **Release.** Notwithstanding any provision herein to the contrary, the Company may require that, prior to payment of any amount or provision of any benefit pursuant to Sections 7(d), (e), or (g) (other than the Accrued Obligations), Employee shall have executed, on or prior to the Release Expiration Date, a Release, and that any waiting periods contained in such Release have expired. In the event that Employee fails to execute a Release in favor of the Company and its subsidiaries and affiliates and their respective related parties on or prior to the Release Expiration Date, Employee shall not be entitled to any payments or benefits pursuant to Sections 7(d), (e), or (g) (other than the Accrued Obligations).

(i) **Exclusive Rights.** The severance benefits specified in Section 7 shall be in lieu of any severance pay or other severance benefit that the Company may provide to terminated employees pursuant to policies of the Company that may at that time be in effect and (ii) shall not in any way affect Employee's entitlement to the receipt of a pro-rated cash bonus or other cash incentive that Employee is otherwise eligible to earn in the ordinary course, during the partial year prior to date of termination, pursuant to each plan or program (whether or not such plan or program has been formalized or is in written form) of the Company in effect for such year that provides for cash bonuses or other cash incentives (provided that the Company goals that trigger the obligation of the Company to pay any such cash bonus or other cash incentives are satisfied).

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Section 8. Work Product

(a) Employee agrees that all inventions, innovations, improvements, technical information, systems, software developments, methods, designs, analyses, formulas, strategies, drawings, reports, service marks, trademarks, trade names, logos, products, equipment, and all similar or related information and materials (whether patentable or unpatentable) (collectively, "Inventions") which relate to the Company's actual or anticipated business, research and development, or existing or future products or services and which are conceived, developed, or made by Employee (whether or not during usual business hours and whether or not alone or in conjunction with any other Person) during the Term of Employment ("Work Product") belong in all instances to the Company. Employee will promptly disclose such Work Product to the Company and perform all actions reasonably requested by the Company (whether during or after the Term of Employment) to establish and confirm the Company's ownership of such Work Product (including, without limitation, the execution and delivery of assignments, consents, powers of attorney, and other instruments) and to provide reasonable assistance to the Company (whether during or after the Term) in connection with the prosecution of any applications for patents, trademarks, brands, trade names, service marks, or reissues thereof or in the prosecution or defense of interferences relating to any Work Product. Employee recognizes and agrees that the Work Product, to the extent copyrightable, constitutes works for hire under the copyright laws of the United States and that to the extent Work Product constitutes works for hire, the Work Product is the exclusive property of the Company, and all right, title, and interest in the Work Product vests in the Company. To the extent Work Product is not works for hire, the Work Product, and all of Employee's right, title, and interest in Work Product, including without limitation every priority right, is hereby assigned to the Company.

(b) Employee shall, during the Term of Employment and at any time thereafter, assist and cooperate fully with the Company in obtaining for the Company the grant of letters patent, copyrights, and any other intellectual property rights relating to the Work Product in the United States and/or such other countries as the Company may designate. With respect to Work Product, Employee shall, during the Term of Employment and at any time thereafter, execute all applications, statements, instruments of transfer, assignment, conveyance or confirmation, or other documents, furnish all such information to the Company and take all such other appropriate lawful actions as the Company requests that are necessary to establish the Company's ownership of such Work Product. Employee will not assert or make a claim of ownership of any Work Product, and Employee will not file any applications for patents or copyright or trademark registration relating to any Work Product.

(c) Employee agrees that the Company shall not be required to designate Employee as the inventor or author of any Work Product. Employee hereby irrevocably and unconditionally waives and releases, to the extent permitted by applicable law, all of Employee's rights to such designation and any rights concerning future modifications to any Work Product. To the extent permitted by applicable law, Employee hereby waives all claims to moral rights in and to any Work Product.

(d) Employee will not, in the course of employment with the Company, incorporate into or in any way use in creating any Work Product any pre-existing invention, improvement, development, concept, discovery, works, or other proprietary right or information owned by Employee or in which Employee has an interest without the Company's prior written permission. Employee hereby grants the Company a nonexclusive, royalty-free, fully-paid, perpetual, irrevocable, sublicensable, worldwide license to make, have made, modify, use, sell, copy, and distribute, and to use or exploit in any way and in any medium, whether or not now known or existing, such item as part of or in connection with such Work Product. Employee will not incorporate any invention, improvement, development, concept, discovery, intellectual property, or other proprietary information owned by any party other than Employee into any Work Product without the Company's prior written permission.

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(e) Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agent and attorney-in-fact, to act for and on Employee's behalf to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of patents, copyright, trademark, and mask work registrations with the same legal force and effect as if executed by Employee, if the Company is unable because of Employee's unavailability, dissolution, mental or physical incapacity, or for any other reason, to secure Employee's signature for the purpose of applying for or pursuing any application for any United States or foreign patents or mask work or copyright or trademark registrations covering the Work Product owned by the Company pursuant to this Section.

Section 9. Confidentiality; Restricted Activities. Employee agrees that some restrictions on Employee's activities are necessary to protect the goodwill, Confidential Information and other legitimate interests of the Company and its affiliates:

(a) Employee shall not disclose Confidential Information to, or use Confidential Information for the benefit of, any Person, except: (i) to the extent required by an order of a court having jurisdiction over Employee or under subpoena from an appropriate government agency, in which event, Employee shall use Employee's good faith efforts to consult with the General Counsel of the Company prior to responding to any such order or subpoena, or (ii) as required in the performance of Employee's obligations under this Agreement.

(b) Employee agrees that, during the Term of Employment, Employee shall not, directly or indirectly, individually or jointly, own any interest in, operate, join, control or participate as a partner, director, principal, officer, or agent of, enter into the employment of, act as a consultant to, or perform any services for any Person (other than the Company or its subsidiaries), that engages in any Competitive Activities. Notwithstanding anything herein to the contrary, this Section 9 shall not prevent Employee from acquiring or holding as an investment securities: (x) of the Company or (y) representing not more than three percent (3%) of the outstanding voting securities of any other

publicly-held corporation.

(c) Without limiting the remedies available to the Company, Employee acknowledges that a breach of any of the covenants contained in this Section 9 may result in material irreparable injury to the Company or its subsidiaries for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat thereof, the Company shall be entitled to seek a temporary restraining order and/or a preliminary or permanent injunction, without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach of this Section 9, restraining Employee from engaging in activities prohibited by this Section 9 or such other relief as may be required specifically to enforce any of the covenants in this Section 9.

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(d) If any court of competent jurisdiction shall at any time determine that any covenant or agreement contained in this Section 9 exceeds the temporal, geographic, or other limitations permitted by applicable law in any jurisdiction and renders such covenant or agreement unenforceable, the other provisions of this Section 9 shall nevertheless remain in effect and such covenant or agreement shall be deemed to be reformed and modified to the maximum temporal, geographic or other limitation permitted by law under the circumstances, and the Company and Employee each agree that any such court shall be expressly empowered to so reform and modify such covenant or agreement.

(e) Employee acknowledges and agrees that: (A) the agreements and covenants contained in this Section 9 (i) are reasonable and valid in geographical and temporal scope and in all other respects, (ii) are essential to protect the value of the business, assets and confidential information of the Company and its subsidiaries, and (iii) will not impose any undue hardship on Employee, and (B) Employee has and will obtain valuable knowledge (including knowledge of the Company's trade secrets, customer relationships and other confidential information), contacts, know-how, training and experience and such knowledge, know-how, contacts, training and experience could be used to the substantial detriment of the Company and its subsidiaries. Employee further acknowledges that the Company's agreement to enter into the Agreement and to make the payments and take the actions contemplated herein is conditioned upon Employee's agreement to the terms set forth in this Section 9 and the Company's agreement to enter into the Agreement constitutes good and valuable consideration for Employee's agreement to the restrictions set forth in this Section 9.

(f) In the event of the termination of Employee's employment for any reason, Employee shall deliver to the Company all of: (i) the property of the Company and (ii) the documents and data of any nature and in whatever medium of the Company, and Employee shall not take with Employee any such property, documents or data or any reproduction thereof, or any documents containing or pertaining to any Confidential Information.

Section 10. Injunctive Relief. Without limiting the remedies available to the Company, Employee acknowledges that a breach of any of the covenants contained in Section 9 hereof may result in material irreparable injury to the Company or its subsidiaries or affiliates for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat thereof, the Company shall be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction, without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach of Section 9 hereof, restraining Employee from engaging in activities prohibited by Section 9 hereof or such other relief as may be required specifically to enforce any of the covenants in Section 9 hereof.

Section 11. Representations and Warranties of Employee. Employee represents and warrants to the Company that:

(a) Employee is entering into this Agreement voluntarily and that Employee's employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by Employee of any agreement to which Employee is a party or by which Employee may be bound;

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(b) Employee has not, and in connection with Employee's employment with the Company will not, violate any non-solicitation or other similar covenant or agreement by which Employee is or may be bound; and

(c) In connection with Employee's employment with the Company, Employee has not and will not disclose or use any confidential or proprietary information Employee may have obtained in connection with Employee's employment by any prior employer.

Section 12. Taxes.

(a) The Company may withhold from any payments made under this Agreement, including payments made pursuant to Section 7, all applicable taxes, including, but not limited to, income, employment and social insurance taxes, as shall be required by law. Employee acknowledges and represents that the Company has not provided any tax advice to Employee in connection with this Agreement and that Employee has been advised by the Company to seek tax advice from Employee's own tax advisors regarding this Agreement and payments that may be made to Employee pursuant to this Agreement, including, specifically, the application of the provisions of Sections 280G or 409A of the Code to such payments.

(b) In the event that any amount otherwise payable pursuant to Section 7 would be deemed to constitute a parachute payment (a "Parachute Payment") within the meaning of Section 280G of the Code, and if any such Parachute Payment, when added to any other payments which are deemed to constitute Parachute Payments, would otherwise result in the imposition of an excise tax under Section 4999 of the Code, the amounts payable hereunder shall be reduced by the smallest amount necessary to avoid the imposition of such excise tax. Any such limitation shall be applied to such compensation and benefit amounts and in such order as the Company shall determine in its sole discretion.

Section 13. Set Off; Mitigation. The Company's obligation to pay Employee the amounts provided and to make the arrangements provided hereunder shall be subject to set-off, counterclaim, or recoupment of amounts owed by Employee to the Company or its subsidiaries or affiliates. Employee shall not be required to mitigate the amount of any payment provided for pursuant to this Agreement by seeking other employment or otherwise, and the amount of any payment provided for pursuant to this Agreement shall not be reduced by any compensation earned as a result of Employee's other employment or otherwise.

Section 14. Arbitration. Concurrently with this Agreement, Employee and the Company are entering into a Mutual Agreement to Arbitrate that is attached hereto as Exhibit A.

Section 15. Delay in Payment. Notwithstanding any provision in this Agreement to the contrary, any payment otherwise required to be made hereunder to Employee at any date as a result of the termination of Employee's employment shall be delayed for such period of time as may be necessary to meet the requirements of section 409A(a)(2)(B)(i) of the Code. On the earliest date on which such payments can be made without violating the requirements of section 409A(a)(2)(B)(i) of the Code, there shall be paid to Employee, in a single cash lump sum, an amount equal to the aggregate amount of all payments delayed pursuant to the preceding sentence.

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Section 16. Successors and Assigns; No Third-Party Beneficiaries

(a) The Company. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. Neither this Agreement nor

any of the rights, obligations, or interests arising hereunder may be assigned by the Company without Employee's prior written consent to a Person other than a subsidiary, affiliate, or parent entity of the Company or their respective successors or assigns; provided, however, that, in the event of the merger, consolidation, transfer or sale of all or substantially all of the assets of the Company with or to any other Person, this Agreement shall, subject to the provisions hereof, be freely assignable to, and be binding upon and inure to the benefit of, each such Person, without Employee's consent, and, to the extent the Agreement has been so assigned, such Person shall discharge and perform all the promises, covenants, duties and obligations of the Company hereunder.

(b) Employee. Employee's rights and obligations under this Agreement shall not be transferable by Employee, by assignment or otherwise, without the prior written consent of the Company; provided, however, that if Employee shall die, all amounts then payable to Employee hereunder shall be paid in accordance with the terms of this Agreement to Employee's devisee, legatee or other designee or, if there be no such designee, to Employee's estate.

(c) No Third-Party Beneficiaries. Except as otherwise set forth in Section 7(b) or this Section 15, nothing expressed or referred to in this Agreement will be construed to give any person or entity other than the Company (and its subsidiaries and affiliates) and Employee any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

Section 17. Waiver and Amendments. Any waiver, alteration, amendment or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by each of the parties hereto; provided, however, that any such waiver, alteration, amendment or modification is approved by the Board. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

Section 18. Severability. If any covenants or such other provisions of this Agreement are found to be invalid or unenforceable by a final determination of a court of competent jurisdiction: (i) the remaining terms and provisions hereof shall be unimpaired, and (ii) the invalid or unenforceable term or provision hereof shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision hereof.

Section 19. Governing Law and Jurisdiction. This Agreement is governed by and is to be construed under the laws of the State of California without regard to conflict of laws rules. Any dispute or claim arising out of or relating to this Agreement or claim of breach hereof (other than claims for injunctive relief, which shall be governed by Section 10 hereof) shall be brought exclusively in the State or Federal courts located in San Diego County in California. By execution of the Agreement, the parties hereto, and their respective affiliates, consent to the exclusive jurisdiction of such court, and waive any right to challenge jurisdiction or venue in such court with regard to any suit, action, or proceeding under or in connection with the Agreement. Each party to this Agreement also hereby waives any right to trial by jury in connection with any suit, action or proceeding under or in connection with this Agreement.

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Section 20. Notices

(a) Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided, provided that, unless and until some other address be so designated, all notices or communications by Employee to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices or communications by the Company to Employee may be given to Employee personally or may be mailed to Employee at Employee's last known address, as reflected in the Company's records.

(b) Any notice so addressed shall be deemed to be given: (i) if delivered by hand, on the date of such delivery; (ii) if mailed by courier or by overnight mail, on the first business day following the date of such mailing; and (iii) if mailed by registered or certified mail, on the third (3rd) business day after the date of such mailing.

Section 21. Section Headings. The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof, affect the meaning or interpretation of this Agreement or of any term or provision hereof.

Section 22. Entire Agreement. This Agreement, together with any exhibits attached hereto, constitutes the entire understanding and agreement of the parties hereto regarding the subject matter hereof. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings and agreements between the parties hereto relating to the subject matter of this Agreement, including, without limitation, any severance or termination agreement between the Company and Employee, if any.

Section 23. Survival of Operative Sections. Upon any termination of Employee's employment with the Company, the provisions of Section 7 through Section 22 of this Agreement (together with any related definitions set forth in Section 1 hereof) shall survive to the extent necessary to give effect to the provisions thereof.

Section 24. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile (including by way of PDF files) signature.

* * *

[Signatures to appear on the following page.]

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

COMPANY:

FLUX POWER HOLDINGS, INC.

By: _____

Dale Robinette

Lead Independent Director and Chair of Compensation Committee

EMPLOYEE:

KRISHNA VANKA

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AMENDMENT TO EXECUTIVE EMPLOYMENT AGREEMENT

This AMENDMENT TO EXECUTIVE EMPLOYMENT AGREEMENT (the “Amendment”), effective as of March 10, 2025 (the “Effective Date”), is by and among Flux Power Holdings, Inc., a Nevada corporation (the “Company”) and Ronald F. Dutt (the “Employee”). Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to them in the Amended and Restated Employment Agreement by and between the Company and the Employee effective February 12, 2021 (the “Employment Agreement”).

WITNESSETH:

WHEREAS, the Employee currently serves as the Company’s Chairman, Chief Executive Officer (“CEO”) and President pursuant to the Employment Agreement;

WHEREAS, the Employee announced that he wishes to retire on the date the Employee’s successor as the Company’s CEO and President is duly appointed;

WHEREAS, the Company has found a successor and will start March 10, 2025;

WHEREAS, the Company has requested the Employee to stay on and serve as a senior advisor for the transition until March 31, 2025;

WHEREAS, the Employee agrees to such extension upon the terms and conditions contained in this Amendment, which shall amend and modify the terms of the Employment Agreement, which shall otherwise remain hereafter in full force and effect.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises and covenants set forth below and other good and valuable consideration, the receipt of which is hereby acknowledged, the Company and the Employee do hereby agree that the Employment Agreement shall be amended as follows:

1. Section 2 (Acceptance of Employment; Position; Duties and Responsibility) is hereby deleted in its entirety and amended to read as follows:

“Section 2. Transition Service. Effective March 10, 2025 and ending on March 31, 2025 (the “Transition Period” or “Term of Employment”), Employee will transition from the position of Chief Executive Officer and President of the Company and its subsidiaries to senior advisor to the Company, and shall not be authorized to perform any of his previous duties unless so requested in writing by the Company’s CEO or his designee. At all times during the Transition Period, Employee will report to the CEO or his designee and shall have such part-time duties as may be prescribed by the CEO or his designee. As senior advisor, Employee will provide services to the Company and answer questions on an as-needed basis and to the extent directed by the CEO or his designee. Employee’s employment will be “at-will” employment and unless terminated earlier, the Employee’s employment will automatically end on March 31, 2025.”

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2. Section 3 (Compensation) is hereby deleted in its entirety and amended to read as follows:

“Section 3. Compensation. During the Transition Period, the Employee shall (i) be paid his monthly salary in the amount of \$32,187.50 through the end of the Transition Period, (ii) remain eligible to participate in the Company’s group employee benefit plans as a regular full-time employee, and (iii) continue to vest in his outstanding equity awards, subject to the terms of the Equity Documents (as defined below). The Employee shall not be eligible for any incentive compensation in connection with work performed after March 10, 2025. The Employee agrees that he will not earn or be entitled to accrue paid time off during the Transition Period. For the avoidance of doubt, if the Company terminates the Employee’s employment for Cause prior to March 31, 2025, Employee will be entitled to the Accrued Obligations, shall immediately cease vesting in his outstanding equity awards, and shall have no further rights to any compensation or benefits from the Company or any of its affiliates. If the Employee resigns prior to March 31, 2025, then the Transition Period will immediately end, the Employee will be entitled to the Accrued Obligations, and, provided the Employee complies with his obligations pursuant to this Agreement, the Employee will be entitled to the severance benefits set forth in Section 7(d).”

3. Section 4 (Employee Benefits) and Section 5 (Key-Man Insurance) is hereby deleted in its entirety.

4. Section 7(d)(ii) (Termination by the Company without Cause) is hereby deleted in its entirety and amended to read as follows:

“(ii) Provided employee executes and delivers to the Company a Release in the form attached hereto as Exhibit A within thirty (30) days after the Transition Period and subject to the limitations set forth in Section 12(b) of the Employment Agreement, an amount equal to twelve (12) months of Base Salary at the rate in effect immediately prior to the date Employee signs this Agreement (“Severance Amount”), which shall be paid in twelve (12) equal monthly installments as set forth in the Release. For the avoidance of doubt, Employee’s services with the Company will end at the end of the Transition Period, which natural termination shall be deemed a termination by the Company without Cause.”

5. Section 7(h) (Benefits) is hereby deleted in its entirety.

6. Section 9(c) (Confidentiality; Restricted Activities) is hereby deleted in its entirety.

9. Effective immediately, the Employee hereby resigns as an officer and/or director of the Company as well as from any other officer and/or director positions he holds with any of Company’s subsidiaries or entities affiliated with the Company. The Employee agrees to execute any documents reasonably requested by the Company or any controlled entities in order to effectuate such resignations.

10. The Employee hereby waives the application of the definition of “Good Reason” all aspects of the Employee’s prior and continued employment, including but not limited to any changes to the Employee’s responsibilities, authority or duties, and the Employee agrees that such “Good Reason” provision is hereby null and void. For the avoidance of doubt, the Employee shall have no “Good Reason” departure rights under the Employment Agreement or otherwise.

11. The Employee hereby waives the application of the Change in Control Termination provision as set forth Section 7(e) of the Employment Agreement.

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12. Except as specifically provided by this Amendment, the Employment Agreement shall remain in full force and effect in all other respects, subject to any other amendments that may be adopted from time to time.

13. The Company and the Employee represent and agree that each has reviewed all aspects of this Amendment, has carefully read and fully understands all provisions of this Amendment, and is voluntarily entering into this Amendment. Each party represents and agrees that such party has had the opportunity to review any and all aspects of this Amendment with legal, tax or other adviser(s) of such party’s choice before executing this Amendment.

14. This Amendment may be executed by either of the parties hereto in counterparts, each of which shall be deemed to be an original Amendment, but all such counterparts shall together constitute one and the same instrument. Signatures to this Amendment transmitted by facsimile transmission, by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.

[Remainder of this page intentionally left blank]

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IN WITNESS WHEREOF, the parties hereto have executed, or cause their duly authorized representative to execute, this Amendment on the dates indicated below.

EMPLOYEE

EMPLOYER

By: Ronald F. Dutt

Flux Power Holdings, Inc.

Dale Robinette

Date: March 10, 2025

Lead Independent Director and Chair of Compensation Committee

Date: March 10, 2025

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EXHIBIT A

CONFIDENTIAL SEPARATION AND RELEASE AGREEMENT

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CONFIDENTIAL SEPARATION AND RELEASE AGREEMENT

This Confidential Separation and Release Agreement (“Agreement”) is entered into by and between Ronald F. Dutt (hereinafter “EMPLOYEE”) and Flux Power Holdings, Inc., a Nevada corporation (hereinafter “EMPLOYER”). EMPLOYEE and EMPLOYER shall be referred to as the “Parties.”

WHEREAS, the Parties entered into an Amended and Restated Executive Employment Agreement dated February 12, 2021 (the “Employment Agreement”) which replaced and superseded a prior employment agreement between the Parties, dated December 11, 2012 (the “Prior Employment Agreement”);

WHEREAS, the Parties thereafter entered into an Amendment to Executive Employment Agreement dated March 10, 2025 which replaced and superseded the Employment Agreement (the “Amendment”);

WHEREAS, pursuant to the Amendment, EMPLOYER agreed to provide EMPLOYEE with certain severance pay and benefits (the “Severance Benefits”) in the event the certain cessations of employment, subject to, among other things, EMPLOYEE entering into, not revoking, and complying with a Release as that term is defined in Employment Agreement;

WHEREAS, this Agreement is the Release referred to in the Employment Agreement;

WHEREAS, EMPLOYER’S Board of Directors appreciates EMPLOYEE’s contributions to EMPLOYER; and

WHEREAS, in exchange for, among other things, EMPLOYEE entering into and fully complying with the terms and conditions contained in this Agreement, EMPLOYER shall provide EMPLOYEE with the Severance Benefits as described in Paragraph 6 of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. Termination of Employment. EMPLOYEE’S employment by EMPLOYER, as well as EMPLOYEE’s holding of all officer, director, board, committee, and/or other positions with EMPLOYER, any of EMPLOYER’s subsidiaries, if any, shall be deemed to have ended on March 31, 2025 (the “Termination Date”). EMPLOYEE agrees to execute any documents reasonably requested by EMPLOYER or any controlled entities in order to effectuate such termination. By signing this Agreement, EMPLOYEE affirms and agrees that EMPLOYEE has been paid all wages earned through and including the date of this Agreement, including all earned bonuses, all incentive compensation, and all accrued and unused vacation time.

2. Release. In exchange for the promises contained in this Agreement, EMPLOYEE agrees that EMPLOYEE, or any person acting by, through, or under EMPLOYEE, releases EMPLOYER, its parent companies, affiliates, subsidiaries, d/b/a’s, divisions, predecessors, successors, assigns, attorneys, and any individual or entity EMPLOYEE alleges to be a joint employer of EMPLOYEE, and the current and former officers, directors, shareholders, representatives, employees, attorneys, agents, and insurers/risk groups thereof (collectively, the “Releasees”), from any and all claims EMPLOYEE has against them, and agrees that EMPLOYEE will not institute any action or actions, cause or causes of action (in law or in equity), suits, debts, liens, claims, demands, known or unknown, fixed or contingent or otherwise, which EMPLOYEE may have or claim to have in state or federal court, or with any state, federal or local government agency or with any administrative or advisory body related to EMPLOYEE’S employment by EMPLOYER.

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EMPLOYEE further agrees that EMPLOYEE is compromising, settling, and releasing Releasees from any and all claims under any federal, state or local law or ordinance, tort, employment contract (express or implied), public policy, wrongful discharge or any other obligation arising prior to the date of this Agreement, including any claims arising under the California Industrial Welfare Commission Wage Orders; the Fair Labor Standards Act, as amended; the California Labor Code, as amended; Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991, as amended; Sections 1981 through 1988 of Title 42 of the United States Code, as amended; the Employee Retirement Income Security Act of 1974, as amended; the Immigration Reform and Control Act, as amended; the Americans with Disabilities Act of 1990, as amended; the Age Discrimination in Employment Act of 1967 (“ADEA”), as amended; the Workers Adjustment and Retraining Notification Act, as amended; the Occupational Safety and Health Act, as amended; the Family and Medical Leave Act, as amended; California Family Rights Act – Cal. Gov’t Code § 12945.2 et seq., as amended; California Fair Employment and Housing Act – Cal. Gov’t Code § 12900 et seq., as amended; California Unruh Civil Rights Act – Cal. Civ. Code § 51 et seq., as amended; California Wage Payment Act, as amended; California Equal Pay Law – Cal. Lab. Code § 1197.5 et seq., as amended; California Whistleblower Protection Law – Cal. Lab. Code § 1102-5(a) to (c), as amended; the California Occupational Safety and Health Act, as amended; the National Labor Relations Act; California Labor Code § 6300 et seq., and any applicable regulations thereunder; the California Private Attorneys General Act, California Labor Code section 2699, et seq., as amended; any other federal, state or local civil or human rights law or any other local, state or federal law, regulation or ordinance; any claim for penalties, unpaid wages, unpaid overtime, unfair business practices, unjust enrichment, fraud, failure to provide accurate itemized wage statements, meal and rest period premiums, waiting time penalties, failure to pay minimum wage, wrongful termination, discrimination, harassment, retaliation, or intentional infliction of emotional distress; any public policy, contract, tort, or common law; or any claim for costs, fees, or other expenses, including attorneys’ fees.

Consistent with the releases contained herein, EMPLOYEE agrees that if a claim is prosecuted in EMPLOYEE’S name before any court, government agency, administrative agency or advisory body against any Releasee or any person acting by, through, under, or in concert with any Releasee, EMPLOYEE waives and agrees not to take any award of money or other damages from such claim. EMPLOYEE also agrees if a claim is prosecuted in EMPLOYEE’S name against any Releasee or any and all persons acting by, through, under or in concert with any Releasee, that EMPLOYEE will immediately request in writing the claim on EMPLOYEE’S behalf be withdrawn.

The foregoing shall not be construed to release or waive any right that may not be released or waived pursuant to applicable law. However, to the fullest extent allowed by law, EMPLOYEE agrees to waive any right to monetary or other recovery should any claim be pursued on EMPLOYEE’S behalf arising out of or related to any events arising prior to the date of this Agreement, whether on an individual, class, collective, or representative basis. Furthermore, in the event that EMPLOYEE is named as a member of any class, collective, or group in any action against any Releasee arising from conduct predating this Agreement, EMPLOYEE agrees that EMPLOYEE’S claims shall be dismissed and EMPLOYEE’S class, collective, and/or group membership terminated immediately upon presentation of this Agreement, and EMPLOYEE shall promptly execute any papers necessary to achieve this end.

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3. Waiver of Civil Code Section 1542 Rights. EMPLOYEE acknowledges and agrees that EMPLOYEE is aware of and expressly waives all rights and benefits conferred on EMPLOYEE now or in the future under the provisions of California Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

EMPLOYEE, being aware of this section, hereby relinquishes all rights and benefits EMPLOYEE may have based thereon and upon any other statutes or common law principles of similar effect. However, EMPLOYEE does not waive any rights or claims that may arise after the date this Agreement is executed.

4. No Pending Actions. EMPLOYEE represents and warrants that EMPLOYEE has not filed any action, claim, charge, or complaint against EMPLOYER or any Releasees with any local, state, or federal agency or court related to EMPLOYEE'S employment by EMPLOYER, and agrees that EMPLOYEE will not do so in the future. EMPLOYEE acknowledges and agrees that EMPLOYEE'S agreement not to sue EMPLOYER or Releasees for any reason related to EMPLOYEE'S employment by EMPLOYER, except for any claims that cannot be waived pursuant to applicable law, is a material term of this Agreement.

5. ADEA Review and Revocation Period. In order to comply with the Older Workers Benefits Protection Act (29 U.S.C. Section 626(f)) and effectuate the release by EMPLOYEE of any potential claims under the Federal Age Discrimination In Employment Act, EMPLOYEE acknowledges, affirms, and agrees as follows:

A. EMPLOYEE acknowledges and affirms that EMPLOYEE has been given twenty-one (21) days to review and consider the Agreement before signing it. EMPLOYEE understands that EMPLOYEE may use as much or as little of the period as EMPLOYEE wishes prior to signing the Agreement.

B. EMPLOYEE agrees that EMPLOYEE is waiving and releasing any rights EMPLOYEE may have under the Age Discrimination In Employment Act of 1967 ("ADEA") and that this waiver and release is knowing and voluntary. EMPLOYEE acknowledges that the consideration given for this waiver and release is in addition to anything of value to which EMPLOYEE was already entitled. EMPLOYEE acknowledges that EMPLOYEE has carefully reviewed the Agreement and understands the terms and conditions it contains. By entering into the Agreement EMPLOYEE is giving up potentially valuable legal rights and EMPLOYEE intends to be bound by all the terms and conditions set forth in the Agreement. EMPLOYEE does not waive rights or claims that may arise after the date the Agreement is executed. EMPLOYEE is entering into the Agreement freely, knowingly and voluntarily. EMPLOYEE has been advised to consult legal counsel before executing the Agreement.

C. EMPLOYEE acknowledges and affirms EMPLOYEE'S understanding that this Release does not prohibit EMPLOYEE from filing any ADEA related charges with any governmental administrative agency as long as EMPLOYEE does not personally seek reinstatement, damages, remedies, or other relief as to any claim that EMPLOYEE has released, any right to which EMPLOYEE hereby waives.

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D. EMPLOYEE acknowledges and affirms EMPLOYEE'S understanding that, within seven (7) calendar days of the date of EMPLOYEE'S signature on this Agreement, **EMPLOYEE may revoke the release and waiver of any rights EMPLOYEE may have under the ADEA only.** Revocation must be made by delivering a written notice of revocation stating "I intend to revoke the release and waiver of any rights I may have under the ADEA" to EMPLOYER'S Senior People Resources Manager, Cyndi Rowan, at 2685 South Melrose Drive, Vista, California 92081, which must be received no later than the close of business on the seventh (7th) calendar day (or next business day thereafter, if the seventh calendar day is not a business day) after EMPLOYEE signs this Agreement. Notice to EMPLOYER for purposes of this Agreement shall be effective if and only if it is delivered within the revocation period set forth above by one or more of the following means: (a) personally; (b) by overnight courier; or (c) by registered United States mail.

Notwithstanding anything to the contrary in this Agreement, EMPLOYEE shall not be subject to any penalties (such as attorneys' fees) in connection with any challenge by EMPLOYEE to the validity of this ADEA waiver.

6. Severance Benefits. In exchange for, among other things, EMPLOYEE signing and complying with the terms of this Agreement, EMPLOYER agrees to pay EMPLOYEE the following compensation for which EMPLOYEE would otherwise not be entitled:

A. EMPLOYER will pay to EMPLOYEE the gross amount of Three Hundred Eighty-Six Thousand Two Hundred Fifty Dollars and Two Cents (\$386,250.02) in twelve (12) installments of approximately Thirty-Two Thousand One Hundred Eighty-Seven Dollars and Fifty Cents each (\$32,187.50), which payments shall be made on an IRS Form W-2 basis and shall be subject to withholdings and deductions as required by law ("Salary Installment Payment"). The first Salary Installment Payment shall be made on the last day of the first calendar month following the Termination Date, and each subsequent Salary Installment Payment shall be made on the last day of each calendar month after that.

B. EMPLOYER shall pay to EMPLOYEE a monthly cash payment for twelve (12) months in an amount of Four Thousand Thirty Four Dollars and Twenty Cents (\$4,034.20) ("Insurance Installment Payment"), which is equal to the monthly employer contribution that EMPLOYER would have made to provide health insurance to the EMPLOYEE if the EMPLOYEE had remained employed by the EMPLOYER. Each Installment Payment shall be made on an IRS Form 1099 basis, without any withholdings or deductions.

C. Also by signing this Agreement, EMPLOYEE acknowledges and agrees that he is not entitled to any other severance pay, benefits or equity rights including without limitation pursuant to any severance plan, program, or arrangement.

7. Tax Indemnification. EMPLOYER'S payment to EMPLOYEE described above in Paragraph Six represents a compromise of any and all of EMPLOYEE'S known or unknown claims against Releasees. EMPLOYEE agrees to indemnify and to hold harmless Releasees from any and all actions, claims or demands brought by any tax or other authority based upon EMPLOYEE'S tax obligations arising from the payment to be made pursuant to this Agreement, and EMPLOYEE agrees specifically to reimburse EMPLOYER for any taxes, interest and penalties paid by EMPLOYER and for the costs, legal fees, and any other expenses incurred by EMPLOYER as a result of any such actions, claims or demands.

8. Non-Admission of Liability. The Parties hereto acknowledge the execution of this Agreement, and each of the terms contained herein, is not, and shall not be construed in any way as an admission of wrongdoing or liability on the part of either party hereto.

9. Confidentiality. As a condition of, and consideration for, the payment and other benefits EMPLOYEE is to receive herein, EMPLOYEE agrees that:

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A. Neither EMPLOYEE, nor EMPLOYEE'S attorneys nor agents, will disclose, disseminate or publicize or cause or permit to be disclosed, disseminated or publicized, the fact of and the terms of this Agreement, directly or indirectly, to any person, corporation, association or governmental agency, except for EMPLOYEE'S spouse, attorney, or accountant or for the purposes of enforcing this Agreement, should that ever become necessary, and/or except as required by law or legal process. The spouse, attorney, and/or accountant to whom this Agreement is disclosed are also bound by this confidentiality provision.

B. EMPLOYEE will neither orally nor in writing make defamatory or otherwise injurious statements concerning EMPLOYER or EMPLOYEE'S employment relationship with EMPLOYER, or about any Releasees, to any current or future employee, vendor, or potential vendor, and any client or potential or client of EMPLOYER. Further, EMPLOYEE shall continue to be bound by EMPLOYEE'S prior agreement, restated and incorporated herein, not to use, disclose, or exploit any confidential or sensitive information regarding EMPLOYER or concerning anyone else having worked with or for EMPLOYER or currently working with or for EMPLOYER.

C. Notwithstanding any terms to the contrary contained herein, nothing in this Agreement shall prohibit EMPLOYEE from providing truthful information or testimony in response to any court order, subpoena, litigation, deposition, or government investigation, nor shall it prohibit the disclosure of factual information related to an act

of sexual assault, an act of sexual harassment, an act of workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting or opposing harassment or discrimination, pursuant to California Code of Civil Procedure § 1001. Furthermore, nothing in this Agreement shall prevent EMPLOYEE from exercising any rights that EMPLOYEE might possess under Section 7 of the National Labor Relations Act, if any, or cooperating with any investigation being conducted by the National Labor Relations Board, provided that EMPLOYEE'S communications are not so disloyal, reckless or maliciously untrue as to lose the NLRA's protection.

10. Return of Equipment. EMPLOYEE represents and warrants EMPLOYEE has returned or will return to EMPLOYER prior to the Termination Date all equipment, hardware, files, keys, papers, data, software, computer hardware, records and other materials EMPLOYEE has received or prepared in connection with EMPLOYEE'S employment by EMPLOYER, including all copies thereof, and EMPLOYEE further represents and warrants that EMPLOYEE will not use or disclose to any other person any confidential information belonging to EMPLOYER or concerning EMPLOYER.

11. Binding Effect. Except as otherwise expressly provided herein, this Agreement will inure to the benefit of, and be binding upon the successors, assigns, heirs, executors and administrators of the parties hereto.

12. Verification of Employment. EMPLOYER agrees that if contacted by a prospective employer of EMPLOYEE or other third party, it will only verify and/or provide EMPLOYEE'S final job title and dates of employment.

13. Governing Law. This Agreement and the rights and obligations hereunder shall be governed by, and construed and interpreted in all respects, in accordance with the laws of the State of California.

14. Waiver. The waiver by any party of any breach of any of the provisions of this Agreement shall not constitute waiver of any subsequent breach of the same, or of any other provision of this Agreement.

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15. Severability. If any of the above provisions are found null, void, or inoperative for any reason, the remaining provisions will remain in full force and effect.

16. Right to Counsel. EMPLOYEE understands that EMPLOYEE has the right to seek the advice of an attorney of EMPLOYEE'S own choosing to review this Agreement, and affirms that EMPLOYER has provided EMPLOYEE with at least five (5) business days in which to do so, during which time EMPLOYER has agreed not to withdraw or alter any terms of this Agreement. EMPLOYEE further understands that EMPLOYEE may use as much or as little of the period as EMPLOYEE wishes prior to signing the Agreement.

17. Voluntary Agreement. EMPLOYEE acknowledges and affirms that EMPLOYEE has read the above paragraphs and fully understands the terms, nature and effect of this Agreement, which EMPLOYEE has executed knowingly, voluntarily, and of EMPLOYEE's own free will.

18. Joint Drafting. The Parties agree that this Agreement shall be deemed to have been jointly drafted, and that any uncertainty or ambiguity shall not be construed for or against any Party hereto.

19. Integrated Agreement. This Agreement may be supplemented, amended, or modified only by the mutual agreement of the parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by both parties.

20. Survival. All representations, warranties and covenants contained in this Agreement shall survive the termination of the Agreement.

21. Attorneys' Fees Upon Dispute. If a dispute arises under this Agreement in which one party seeks to enforce its rights, the prevailing party shall be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce the final judgment.

In Witness whereof, the Parties have executed this Agreement.

EMPLOYEE

By: _____
Ronald F. Dutt

Date:

EMPLOYER

Flux Power Holdings, Inc.

By: _____
Dale Robinette

Its: Lead Independent Director and Chair of Compensation Committee

Date:

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Flux Power Appoints Veteran Technology Leader Krishna Vanka as Chief Executive Officer

New CEO Brings 18 Years of Expertise in Renewable Energy, EV Transition, Fleet Management and Telematics with a Vision to Accelerate the Company's Growth, Innovation and Scale

Vista, CA — March 10, 2025 — Flux Power Holdings, Inc. (NASDAQ: FLUX), a leading developer of advanced lithium-ion energy storage solutions for the electrification of commercial and industrial equipment, today announced it has appointed Krishna Vanka as Chief Executive Officer. Vanka assumes the position today, on March 10, 2025, to replace Ron Dutt, whose planned retirement was previously announced.

Mr. Vanka is an accomplished executive leader with over 18 years' experience in building, scaling, managing, and transforming technology companies in sectors such as renewable energy, electric vehicle charging, internet of things (IoT), fleet and asset management, and telematics. He most recently was CEO of Fluence Digital, a part of Fluence Energy, a Nasdaq listed global market leader in energy storage. At Fluence Digital, he was responsible for driving scalable growth, general management, strategic leadership and operational excellence of Fluence's recurring revenue businesses, including all of its battery energy storage solutions (BESS) and professional services. Prior to Fluence Digital, Mr. Vanka held leadership positions at InCharge Energy, a high-growth firm with solutions for EV Fleet Charging; MyShoperoo, Inc., a digital on-demand platform including optimizing ordering engine; and Telogis, Inc., SaaS location-based applications to manage and optimize mobile resources used by fleet owners and drivers.

"Krishna brings an incredible track record of success, with the experience and industry relationships necessary to lead Flux Power to its next stage of growth by providing leading technology, products and services to Fortune 500 companies with large and distributed operations," said Dale Robinette, Lead Director of Flux Power. "Following a thorough and thoughtful search process by the Board, I am pleased to announce such a well-qualified leader who can continue our momentum by growing the business into a profitable industry leader in advanced energy solutions. We are confident Krishna is the right person to lead Flux Power forward as it advances its initiatives to create exceptional value for our customers and shareholders."

Vanka added, "I am thrilled to join Flux Power at this critical juncture of this industry and with all the great foundation built by Ron and the team, we will accelerate our mission of delivering industry leading lithium-ion energy storage solutions. As part of the diligence process, I evaluated the company's overall potential, as well as the underlying ingredients - talent, technology, customer base, and vision - to make my decision. I can confidently say that we have the right technology at the right time, with the right people, to scale and build Flux Power into a market leader in this space. I look forward to working with the board and this talented team to build and execute the strategy that will drive our company forward."

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About Flux Power Holdings, Inc.

Flux Power (NASDAQ: FLUX) designs, manufactures, and sells advanced lithium-ion energy storage solutions for electrification of a range of industrial and commercial sectors including material handling, airport ground support equipment (GSE), and stationary energy storage. Flux Power's lithium-ion battery packs, including the proprietary battery management system (BMS) and telemetry, provide customers with a better performing, lower cost of ownership, and more environmentally friendly alternative, in many instances, to traditional lead acid and propane-based solutions. Lithium-ion battery packs reduce CO2 emissions and help improve sustainability and ESG metrics for fleets. For more information, please visit www.fluxpower.com.

Forward-Looking Statements

This release contains projections and other "forward-looking statements" relating to Flux Power's business, that are often identified using "believes," "expects" or similar expressions. Forward-looking statements involve several estimates, assumptions, risks, and other uncertainties that may cause actual results to be materially different from those anticipated, believed, estimated, expected, etc. Accordingly, statements are not guarantees of future results. Some of the important factors that could cause Flux Power's actual results to differ materially from those projected in any such forward-looking statements include, but are not limited to: risks and uncertainties, related to Flux Power's business, results and financial condition; plans and expectations with respect to access to capital and outstanding indebtedness; Flux Power's ability to comply with the terms of the existing credit facilities to obtain the necessary capital from such credit facilities; Flux Power's ability to raise capital; Flux Power's ability to continue as a going concern. Flux Power's ability to obtain raw materials and other supplies for its products at competitive prices and on a timely basis, particularly in light of the potential impact of the COVID-19 pandemic on its suppliers and supply chain; the development and success of new products, projected sales, cancellation of purchase orders, deferral of shipments, Flux Power's ability to improve its gross margins, or achieve breakeven cash flow or profitability, Flux Power's ability to fulfill backlog orders or realize profit from the contracts reflected in backlog sale; Flux Power's ability to fulfill backlog orders due to changes in orders reflected in backlog sales, Flux Power's ability to obtain the necessary funds under the credit facilities, Flux Power's ability to timely obtain UL Listing for its products, Flux Power's ability to fund its operations, distribution partnerships and business opportunities and the uncertainties of customer acceptance and purchase of current and new products, and changes in pricing. Actual results could differ from those projected due to numerous factors and uncertainties. Although Flux Power believes that the expectations, opinions, projections, and comments reflected in these forward-looking statements are reasonable, they can give no assurance that such statements will prove to be correct, and that the Flux Power's actual results of operations, financial condition and performance will not differ materially from the results of operations, financial condition and performance reflected or implied by these forward-looking statements. Undue reliance should not be placed on the forward-looking statements and Investors should refer to the risk factors outlined in our Form 10-K, 10-Q and other reports filed with the SEC and available at www.sec.gov/edgar. These forward-looking statements are made as of the date of this news release, and Flux Power assumes no obligation to update these statements or the reasons why actual results could differ from those projected.

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