

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): August 14, 2024

Expion360 Inc.
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

001-41347
(Commission
File Number)

81-2701049
(I.R.S. Employer
Identification No.)

2025 SW Deerhound Avenue
Redmond, OR 97756
(Address of principal executive offices and zip code)

(541) 797-6714
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

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:

- 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(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	XPON	The 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 2.02. Results of Operations and Financial Condition.

On August 14, 2024, Expion360 Inc. (the “Company”) issued a press release announcing its financial results for the fiscal quarter ended June 30, 2024. A copy of the press release is furnished hereto as Exhibit 99.1 and incorporated herein by reference.

The Company plans to hold a conference call regarding its financial results. The conference call will be accompanied by the presentation deck (the “Presentation”) furnished hereto as Exhibit 99.2 and incorporated herein by reference. A copy of the Presentation is also available on the Company’s investor relations website located at *investors.expion360.com*. The information included on the Company’s website is not incorporated by reference into this Current Report on Form 8-K (this “Current Report”), or into any other Company filing with the Securities and Exchange Commission unless otherwise expressly indicated.

The information provided in Item 2.02 of this Current Report, including Exhibit 99.1 and Exhibit 99.2 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. Such information shall not be deemed incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing, except as otherwise expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release, dated August 14, 2024
99.2	Presentation of Expion360 Inc.
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.

EXPION360 INC.

Date: August 14, 2024

By: /s/ Brian Schaffner
Name: Brian Schaffner
Title: Chief Executive Officer

EXPION360

Expion360 Reports Second Quarter 2024 Financial Results

Q2 Sequential Revenue Growth of 32% with New Products and Technologies

Substantial Preorders of Next Generation Group 27 & GC2 Batteries and Modular Design Edge™ Battery

New Retail E-Commerce Partnership with Tractor Supply Company

Closed \$10 Million Underwritten Public Offering to Advance Commercialization of Home Energy Storage Solutions and Pursue Key Growth Initiatives

REDMOND, OR -- August 14, 2024 -- Expion360 Inc. (Nasdaq: XPON) (“Expion360” or the “Company”), an industry leader in lithium-ion battery power storage solutions, today reported its financial and operational results for the second quarter ended June 30, 2024.

Second Quarter & Subsequent 2024 Financial & Operational Highlights

- Q2 2024 revenue totaled \$1.3 million, up 32% sequentially from Q1 2024.
 - Q2 2024 net loss totaled \$2.2 million compared to a net loss of \$1.5 million in the prior year period as the Company continued to invest in new product development and launches.
 - Closed a firm commitment underwritten public offering with gross proceeds to the Company of approximately \$10.0 million, before deducting underwriting discounts and other estimated expenses payable by the Company.
 - Announced e-commerce retail partnership with Tractor Supply Company (“Tractor Supply”), the largest rural lifestyle retailer in the U.S., to offer Expion360 products online for shipment to customers in 49 states.
 - Announced partnership with K-Z Recreational Vehicles (“K-Z RV”), a subsidiary of Thor Industries, Inc., for integration of Expion360’s 51.2V 60Ah Edge Vertical Heat Conduction™ (“VHC™”) heated batteries and new Group 27 12.8V 100Ah VHC™ heated batteries into K-Z RV’s premium offerings.
 - Launched the Edge™ battery available in both 12.8V and 51.2V configurations, featuring a slim profile that maximizes available space without compromising performance and is now available for preorder with shipments expected to commence in Q3 2024.
 - Received substantial preorders of next generation Group 27 and GC2 series lithium iron phosphate (“LiFePO4”) batteries, which now include our proprietary VHC™ internal heating technology, a patent-pending innovation. Expion360 began taking pre-orders of the new Group 27 and GC2 batteries in Q1 2024 and commenced deliveries in May 2024.
 - Released specifications for Home Energy Storage Solutions.
-

Management Commentary

"The second quarter of 2024 was highlighted by an important new partnership, the launch of our next generation battery products, and continued sequential revenue growth," said Brian Schaffner, Chief Executive Officer of Expion360. "Taken together, we are successfully scaling our efforts through the introduction of new technologies, entering new retail markets, and expanding into complementary verticals with a portfolio servicing marine, overland and light electric vehicles. We also have two energy storage products currently under development, which includes undergoing the process to obtain UL safety certifications, in addition to other requirements for various Authorities Having Jurisdiction.

"Sales grew sequentially for a second consecutive quarter, improving 32% from Q1 2024, while year over year sales continued to be impacted by the downturn in the RV market. However, the RV market is now gaining increased momentum, with RV shipments in June 2024 up 8.4% compared to June 2023 according to the RV Industry Association. We are leveraging our products' superior capacity and flexibility to lead acid competitors and introducing new batteries and improved technologies, to capture market share as RV industry demand returns.

"These new products and technologies include our next generation Group 27 and GC2 batteries, which started being delivered to customers in the second quarter of 2024. These batteries include our proprietary VHC™ internal heating technology, a patent-pending innovation representing a significant breakthrough in battery performance, particularly in cold climates. We also launched the Edge™ battery, available in both 12.8V and 51.2V configurations, incorporating VHC™ and featuring Integrated SmartTalk™ Bluetooth and controller area network communication, allowing users to monitor battery performance in real-time. The Edge™ features a slim profile with dimensions of just 4.2 inches in height, 17.5 inches in width, and 21.9 inches in length, offering flexibility for installation in a variety of applications and maximizing available space without compromising performance.

"Our products can be found at more than 300 resellers across the United States, consisting of dealers, wholesalers, private-label customers and original equipment manufacturers ("OEMs") who then sell our products to end consumers. We recently announced a partnership with K-Z RV for integration of Expion360's 51.2V 60Ah Edge VHC heated batteries and new Group 27 12.8V 100Ah VHC™ heated batteries into K-Z RV's premium offerings, and a new e-commerce retail partnership with Tractor Supply, the largest rural lifestyle retailer in the United States, to offer Expion360 products online for shipment to customers in 49 states. We believe our lithium battery line and accessories will be attractive to Tractor Supply customers shopping online to outfit and upgrade their outdoor lifestyles, and the partnership expands our market presence across the country.

"Looking ahead, as the RV market recovers, we are well positioned for new orders with our expanding portfolio of advanced batteries, supported by strong marketing initiatives. We are working to secure additional partnerships to expand our list of major resellers and enhance our market penetration.

"Most recently, we closed a public offering with gross proceeds to the Company of approximately \$10.0 million. The net proceeds from the offering were used, in part, to fully repay the unsecured convertible promissory note issued to 3i, LP. In addition, the Company and Tumim Stone Capital, LLC mutually agreed to terminate the common stock purchase agreement establishing an equity line of credit, effective immediately upon the closing of the public offering. Importantly, we anticipate using proceeds from the offering to provide necessary funding to further develop our new e360 Home Energy Storage Solutions targeting home and small commercial solar users and installers. Our two LiFePO4 battery storage solutions enable residential and small business customers to create their own stable micro-energy grid and lessen the impact of increasing power fluctuations and outages. We believe consumer uptake of home energy storage has the potential to scale rapidly with the introduction of products that improve price, flexibility, and integration, while creating an opportunity to generate meaningful recurring revenue streams and enable margin expansion in a market that is expected to surpass \$123 billion globally by 2029," concluded Mr. Schaffner.

Second Quarter 2024 Financial Summary

For the second quarter of 2024, net sales totaled \$1.3 million, a decrease of 25.9% from \$1.7 million in the prior year period. The decrease was primarily attributable to the lingering effects of the year over year downturn in the RV market, combined with customers limiting orders in anticipation of the availability of our new products with enhanced features.

Gross profit for the second quarter of 2024 totaled \$0.3 million or 25.5% as a percentage of sales, as compared to \$0.5 million or 26.3% as a percentage of sales in the prior year period. The decrease in gross profit was primarily attributable to decreases in sales which drove higher fixed overhead costs per unit.

Selling, general and administrative expenses were \$2.0 million in both the second quarter of 2024 and the second quarter of 2023.

Net loss for the second quarter of 2024 totaled \$2.2 million, or \$(0.30) per share, and net loss of \$1.5 million, or \$(0.21) per share in the prior year period.

First Half 2024 Financial Summary

For the six months ended June 30, 2024, net sales totaled \$2.2 million, a decrease of 30.4% from \$3.2 million in the prior year period.

Gross profit for the six months ended June 30, 2024, totaled \$0.5 million or 24.4% as a percentage of sales, compared to \$0.9 million or 27.8% as a percentage of sales in the prior year period.

Selling, general and administrative expenses increased to \$4.2 million from \$4.1 million in the prior year period.

Net loss for the six months ended June 30, 2024, totaled \$4.4 million, or \$(0.61) per share, compared to a net loss of \$3.5 million, or \$(0.50) per share in the prior year period.

Cash and cash equivalents totaled \$0.9 million at June 30, 2024, compared to \$3.9 million at December 31, 2023.

On August 8, 2024, the Company closed a public offering with gross proceeds of approximately \$10.0 million. Subsequent to the closing of the public offering, 14,598,000 pre-funded warrants have been exercised for shares.

Second Quarter 2024 Results Conference Call

Brian Schaffner, Chief Executive Officer and Greg Aydelott, Chief Financial Officer of Expion360 will host the conference call, followed by a question-and-answer period. The conference call will be accompanied by a presentation, which can be viewed during the webcast or accessed via the investor relations section of the Company's website here.

To access the call, please use the following information:

Date:	Wednesday, August 14, 2024
Time:	4:30 p.m. Eastern Time (1:30 p.m. Pacific Time)
Dial-in:	1-844-825-9789
International Dial-in:	1-412-317-5180
Conference Code:	10191292
Webcast:	https://viaavid.webcasts.com/starthere.jsp?ei=1681427&tp_key=b45018adfd

A telephone replay will be available commencing approximately three hours after the call and will remain available through August 28, 2024, by dialing 1-844-512-2921 from the U.S., or 1-412-317-6671 from international locations, and entering replay pin number: 10191292. The replay can also be viewed through the webcast link above and the presentation utilized during the call will be available via the investor relations section of the Company's website here.

About Expion360

Expion360 is an industry leader in premium lithium iron phosphate (LiFePO4) batteries and accessories for recreational vehicles and marine applications, with residential and industrial applications under development. On December 19, 2023, the Company announced its entrance into the home energy storage market with the introduction of two premium LiFePO4 battery storage systems that enable residential and small business customers to create their own stable micro-energy grid and lessen the impact of increasing power fluctuations and outages. Please find the press release here.

The Company's lithium-ion batteries feature half the weight of standard lead-acid batteries while delivering three times the power and ten times the number of charging cycles. Expion360 batteries also feature better construction and reliability compared to other lithium-ion batteries on the market due to their superior design and quality materials. Specially reinforced, fiberglass-infused, premium ABS and solid mechanical connections help provide top performance and safety. With Expion360 batteries, adventurers can enjoy the most beautiful and remote places on Earth even longer.

The Company is headquartered in Redmond, Oregon. Expion360 lithium-ion batteries are available today through more than 300 dealers, wholesalers, private-label customers, and OEMs across the country. To learn more about the Company, visit expion360.com.

Edge, VHC, Vertical Heat Conduction and SmartTalk are trademarks of Expion360.

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Forward-Looking Statements and Safe Harbor Notice

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which statements are subject to considerable risks and uncertainties. The Company intends such forward-looking statements to be covered by the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts included in this press release, including statements about our beliefs and expectations, are "forward-looking statements" and should be evaluated as such. Examples of such forward-looking statements include, statements that use forward-looking words such as "projected," "expect," "possibility," "believe," "aim," "goal," "plan," and "anticipate," or similar expressions. Forward-looking statements included in this press release include, but are not limited to, statements relating to the Company's expectations about the Company's operations, future development plans, growth prospects, product pipeline and development, anticipated timing of commercial availability of its products, beliefs about market size and opportunity, including customer base, and market conditions, and the anticipated use of proceeds from the offering. Forward-looking statements are subject to and involve risks, uncertainties, and assumptions that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements predicted, assumed or implied by such forward-looking statements.

The Company cautions that forward-looking statements are not historical facts and makes no guarantee of future performance. Forward-looking statements are based on estimates and opinions of management at the time statements are made. The information set forth herein speaks only as of the date hereof. The Company and its management are under no obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any forward-looking statements following the date of this press release, whether as a result of new information, future events or otherwise, except as required by law.

Company Contact:

Brian Schaffner, CEO
541-797-6714
Email Contact

External Investor Relations:

Chris Tyson, Executive Vice President
MZ Group - MZ North America
949-491-8235
XPON@mzgroup.us
www.mzgroup.us

Expion360 Inc.
Balance Sheets

	June 30, 2024 (unaudited)	December 31, 2023
Assets		
Current Assets		
Cash and cash equivalents	\$ 902,323	\$ 3,932,698
Accounts receivable, net	353,006	154,935
Inventory	3,361,832	3,825,390
Prepaid/in-transit inventory	719,286	163,948
Prepaid expenses and other current assets	216,660	189,418
Total current assets	5,553,107	8,266,389
Property and equipment		
Property and equipment	1,212,984	1,348,326
Accumulated depreciation	(467,259)	(430,295)
Property and equipment, net	745,725	918,031
Other Assets		
Operating leases - right-of-use asset	2,399,736	2,662,015
Deposits	58,896	58,896
Total other assets	2,458,632	2,720,911
Total assets	\$ 8,757,464	\$ 11,905,331
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 432,550	\$ 286,985
Customer deposits	14,094	17,423
Accrued expenses and other current liabilities	278,843	292,515
Convertible note payable	2,050,757	2,082,856
Current portion of operating lease liability	541,145	522,764
Current portion of stockholder promissory notes	700,000	762,500
Current portion of long-term debt	31,990	50,839
Total current liabilities	4,049,379	4,015,882
Long-term debt, net of current portion		
Long-term-debt, net of current portion	215,731	298,442
Operating lease liability, net of current portion	1,967,593	2,241,325
Total liabilities	\$ 6,232,703	\$ 6,555,649
Stockholders' equity		
Preferred stock, par value \$0.001 per share; 20,000,000 authorized; zero shares issued and outstanding	-	-
Common stock, par value \$0.001 per share; 200,000,000 shares authorized; 7,559,530 and 6,922,912 issued and outstanding as of June 30, 2024 and December 31, 2023, respectively	7,560	6,923
Additional paid-in capital	28,026,138	26,438,524
Accumulated deficit	(25,508,937)	(21,095,765)
Total stockholders' equity	2,524,761	5,349,682
Total liabilities and stockholders' equity	\$ 8,757,464	\$ 11,905,331

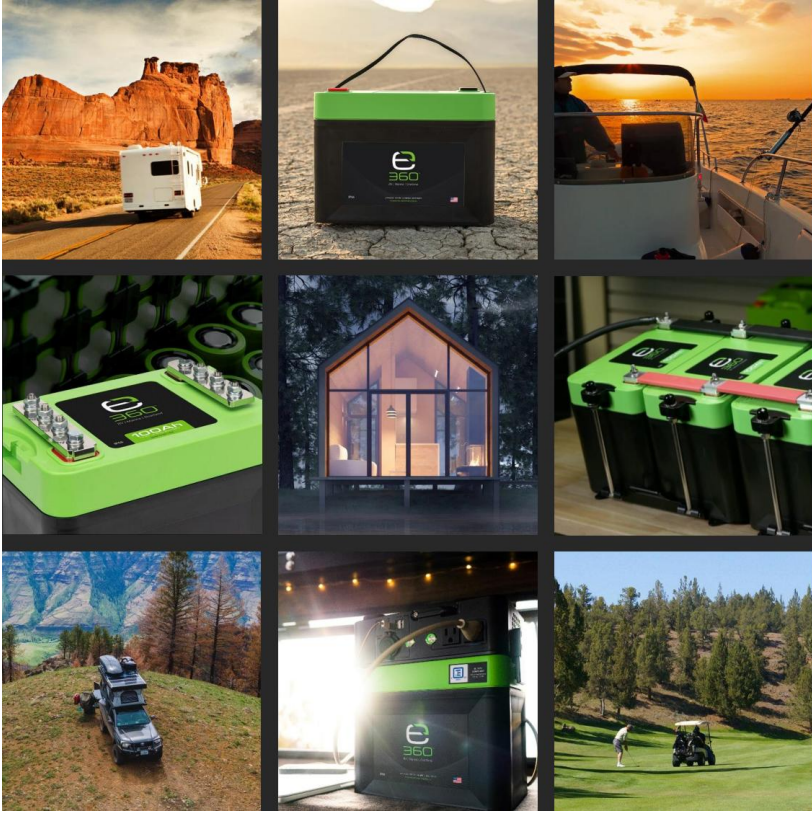
Expion360 Inc.
Statements of Operations (Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023
Net sales	\$ 1,278,109	\$ 1,725,123	\$ 2,249,967	\$ 3,232,300
Cost of sales	952,646	1,270,724	1,701,982	2,334,454
Gross profit	325,463	454,399	547,985	897,846
Selling, general and administrative	2,004,260	1,951,664	4,193,734	4,072,559
Loss from operations	(1,678,797)	(1,497,265)	(3,645,749)	(3,174,713)
Other expense				
Interest income	(18,596)	(47,764)	(45,460)	(67,897)
Interest expense	250,560	26,399	503,846	64,576
Loss on sale of property and equipment	—	3,426	306	3,426
Settlement expense	309,000	—	309,000	281,680
Other (income) / expense	11	(500)	(1,189)	(394)
Total other (income) / expense	540,975	(18,439)	766,503	281,391
Loss before income taxes	(2,219,772)	(1,478,826)	(4,412,252)	(3,456,104)
Franchise taxes / (refund)	460	(38)	920	(38)
Net loss	<u>\$ (2,220,232)</u>	<u>\$ (1,478,788)</u>	<u>\$ (4,413,172)</u>	<u>\$ (3,456,066)</u>
Net loss per share (basic and diluted)	<u>\$ (0.30)</u>	<u>\$ (0.21)</u>	<u>\$ (0.61)</u>	<u>\$ (0.50)</u>
Weighted-average number of common shares outstanding	7,357,300	6,910,491	7,182,121	6,862,747

Expion360 Inc.
Statements of Cash Flows (Unaudited)

	For the Six Months Ended June 30,	
	2024	2023
Cash flows from operating activities		
Net loss	\$ (4,413,172)	\$ (3,456,066)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	94,866	101,992
Amortization of convertible note costs	333,572	—
Loss on sales of property and equipment	306	3,426
Decrease in allowance for doubtful accounts	—	(18,804)
Stock-based settlement	209,000	251,680
Stock-based compensation	438,923	—
Changes in operating assets and liabilities:		
Increase in accounts receivable	(198,071)	(92,359)
(Increase) / decrease in inventory	463,558	(437,190)
Increase in prepaid/in-transit inventory	(555,338)	(19,243)
Increase in prepaid expenses and other current assets	(27,242)	(12,178)
Increase in deposits	—	(2,795)
Increase / (decrease) in accounts payable	145,566	(10,759)
Increase / (decrease) in customer deposits	(3,329)	156,881
Increase / (decrease) in accrued expenses and other current liabilities	98,166	(589)
Increase in right-of-use assets and lease liabilities	6,929	14,477
Net cash used in operating activities	(3,406,266)	(3,521,527)
Cash flows from investing activities		
Purchases of property and equipment	(10,550)	(34,250)
Net proceeds from sales of property and equipment	87,684	37,964
Net cash provided by investing activities	77,134	3,714
Cash flows from financing activities		
Principal payments on convertible note	(365,671)	—
Principal payments on long-term debt	(101,560)	(136,965)
Principal payments on stockholder promissory notes	(62,500)	—
Net proceeds from exercise of warrants	(4)	49,777
Net proceeds from issuance of common stock	828,492	—
Net cash provided by / (used in) financing activities	298,757	(87,188)
Net change in cash and cash equivalents	(3,030,375)	(3,605,001)
Cash and cash equivalents, beginning	3,932,698	7,201,244
Cash and cash equivalents, ending	\$ 902,323	\$ 3,596,243

Supplemental disclosure of cash flow information:	For the Six Months Ended June 30,	
	2024	2023
Cash paid for interest	\$ 67,070	\$ 64,798
Cash paid / (refunded) for franchise taxes	\$ —	\$ (39)
Non-cash financing activities:		
Acquisition/modification of operating lease right-of-use asset and lease liability	\$ —	\$ (13,993)
Issuance of common stock for payment on accrued interest	\$ 75,811	\$ —
Issuance of common stock for payment on accrued compensation	\$ 36,029	\$ —
Issuance of common stock for settlement shares and vested RSUs	\$ 65	\$ —



EXPION360[®]

*Industry Leader in
Lithium Battery Power Solutions*

*Second Quarter 2024 Financial
Results Conference Call*

NASDAQ: XPON
Corporate Presentation

August 14, 2024

Important Cautions & Disclaimers

Certain statements contained in this presentation (this "Presentation") are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which statements are subject to considerable risks and uncertainties. Expion360, Inc. (the "Company") intends such statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements other than statements of historical fact, including, without limitation, statements regarding the Company's beliefs, plans and expectations about the Company's operations, future development plans, growth prospects, product pipeline and development, anticipated timing of commercial launches, beliefs about market size and opportunity, including customer base, market conditions, and factors beyond the Company's control. These statements are not guarantees of future performance and involve a number of known and unknown risks and uncertainties, many of which are beyond our control. Our actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements contained in this Presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The Company and its affiliates expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Presentation.

Certain information contained in this Presentation relates to, or is based on, studies, publications, surveys and other data obtained from third-party sources and the Company's own internal estimates and research. While the Company believes these third-party sources to be reliable, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of, any information obtained from third-party sources. In addition, all of the market data included in this presentation involves a number of assumptions and limitations, and there can be no guarantee as to the accuracy or reliability of such assumptions. Finally, while the Company believes its own estimates and research are reliable, such estimates and research have not been verified by any independent source.

This Presentation is not intended for any commercial purpose but strictly for educational or informational purposes only. Please note that some photographs and images appearing in this presentation are not necessarily those of the Company or accurate representations of its products or operations, but may be stock images, third-party operations, product mock-ups, and/or may have been edited for competitive or confidentiality reasons. All third-party images are used for non-commercial, illustrative and educational 'fair use' purposes only. All images and trademarks remain the property of their respective owners.



Agenda

- Introduction and Corporate Overview
- Q2 2024 & Subsequent Highlights
- Strategic Positioning in Premium Markets
- e360 Home Energy
- Financial Results
- Closing Summary
- Q&A



Brian Schaffner

CEO

- 30+ years of executive experience in a variety of capacities including CEO, CFO, CIO and controller.
- Former CEO of Capital Physical & Hand Therapy, a multi-site healthcare organization.
- Previously served as operations controller of senior care provider with \$550 million in annual revenues and \$2 billion in assets.



Greg Aydelott

CFO

- 20+ years of experience in financial management and operations, including accounting, budgeting, business development and strategic planning, M&A, regulatory compliance, facility construction and customer relations.
- Served as senior financial analyst for a network of hospitals, clinics and health services with system-wide annual revenues of \$1.5 billion.
- Former director of business operations at a senior care provider with annual revenues of over \$20 million.



Corporate Overview

Expion360 is an industry leader of premium lithium iron phosphate (LiFePO₄) batteries and accessories for recreational vehicles, marine applications, and Light Electric Vehicles (LEVs), now entering the home energy storage and industrial markets.

- Experts in design and integration of battery power components and finished products.
- Lithium battery advantages to lead acid include superior economies, size, capacity, durability and life span, combined with rapid solar adoption, are driving a generational transition for energy storage.
- Leveraging established experience in the RV and Marine markets to enter the larger LEV, home energy storage and industrial markets.
- We have also now developed two home energy storage products, which are currently undergoing UL testing and certification, along with other requirements for various Authorities Having Jurisdiction necessary in order to begin commercialization.
- Strategic battery supplier for RV OEMs with multiple channels and points of distribution.
- Differentiated patented and proprietary technology creates strong defensible position.
- Our management team and board of directors are experienced across engineering, technology and finance.



Second Quarter 2024 and Subsequent Highlights






- April 18, 2024: Announced substantial preorders of next generation Gen Group 27 and GC2 Series batteries with proprietary Vertical Heat Conduction technology driven by customer demand. Shipments to fulfill pre-orders began in May.
- April 30, 2024: Released specifications for [Home Energy Storage Solutions](#).
- May 8, 2024: Launched Edge™ battery utilizing a modular design for off-grid power storage solutions. Available in both 12.8V and 51.2V configurations and featuring a slim profile that maximizes available space without compromising performance, the Edge incorporates Vertical Heat Conduction, SmartTalk Bluetooth and CAN Bus communication. Shipments began in the third quarter of 2024.
- May 16, 2024: Announced new e-commerce retail partnership with Tractor Supply Company, the largest rural lifestyle retailer in the United States, to offer Expion360 products online for shipment to customers in 49 states. Expion360 products are now available on Tractor Supply's website, including Group 24 and Group 27 batteries, Aura Power Cap and our portable solar bundle to start.
- August 6, 2024: Announced a partnership with K-Z Recreational Vehicles, or K-Z RV, a subsidiary of Thor Industries, Inc. This collaboration will integrate Expion360's cutting-edge battery technology into K-Z RV's premium offerings, enhancing the off-grid capabilities of their vehicles.
- August 8, 2024: Closed a public offering with gross proceeds to the Company of approximately \$10.0 million. The net proceeds from the offering were used, in part, to fully repay the senior Unsecured Convertible Promissory Note issued to 3i, LP, and the Company's obligations under the 3i Note, have been fully satisfied and discharged. Also, the Company and Tumim Stone Capital, LLC mutually agreed to terminate the Equity Line of Credit, effective immediately upon the closing of the public offering.

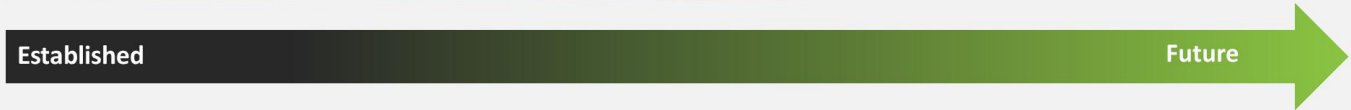


Battery Portfolio Evolution

Strategic Positioning in Established & Future Premium Markets

LiFePO4 Batteries Power:

Recreational Vehicle & Overland Systems and appliances replacing noisy generators for off-grid power and charged by engine or solar	Boating & Marine Trolling motors and operating cabin electronics	Light Electric Vehicle Golf carts with sufficient power and reliability	Home Energy Storage New home and commercial solar power storage solutions	Industrial Applications Additional capacities for electric forklift and industrial material handling
				 <small>Example potential application (not actual)</small>



We have 11 patents pending across our five market segments.



Future Market Expansion

e360 Home Energy

- e360 Home Energy: Recent public offering completed to advance commercialization of Home Energy Solutions
- High margin solution provides scalability and versatility
- Recurring revenue opportunity
- Target Market
 - Home and small commercial solar users and installers who want a high performance, modular, easy to install and use battery back-up capacity solution
- Market Channels
 - Solar installers
 - Electrical contractors
 - Builders in premium home and small commercial market space
 - Energy services providers



*Concept mockup/artistic rendering (not actual).



Technology Advantages

- **Overall:** compact, high-capacity and significant reliability
- **Lithium-Iron Phosphate Chemistry:** recognized as among the safest battery chemistries
- **2-3 Times Faster Charging:** enables users to rapidly charge to capacity compared to lead acid batteries
- **Higher Energy Density:** provides 50% more usable energy compared to lead acid batteries
- **50% Lighter** than lead acid batteries
- **Innovative Mobile App** enables seamless integration to wirelessly monitor performance and view analytics
- **User-Centric:** flexible, modular, and designed for ease of placement and integration
- **Extended Lifespan:** ~12+ years; 3K-5K charging cycles. 10x more life cycles than lead acid batteries



e360 12 volt 450 Ah battery features new proprietary anode/cathode design that increases energy density by >32% to reach 4.5 Ah vs. traditional 3.4 Ah 26650 cells while maintaining similar cost, weight, and size of traditional cells.



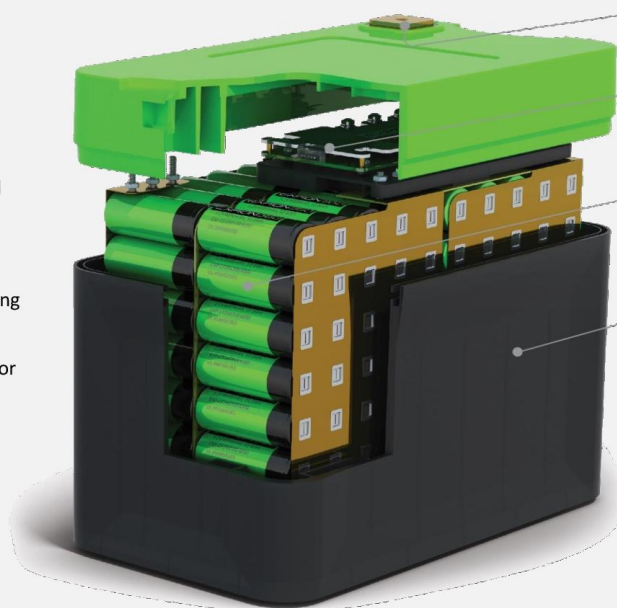
e360 SmartTalk allows you to wirelessly monitor performance and view analytics on virtually any bluetooth-enabled mobile device.



Why Customers Choose E360

Superior Aesthetics, Design, Materials and Construction

- Rugged Design: IP66-rated enclosures for protection in variety of environments. Easy placement and integration.
- Fiber Glass Infused ABS Plastic for Enhanced Strength
- UL-94 V0 FIRE RATED
- IP66 Dust and Water Ingress Protection Rating
- E360 (12V/360Ah) has 3.5x the Capacity of Average RV Battery and a Unique Form Factor
- Long Warranties: Up to 12 years



QUALITY CONNECTIONS

- Oversized brass terminal pads.
- Plainly and permanently marked polarity.

HIGH-PERFORMANCE

BATTERY MANAGEMENT SYSTEM

- Under or overvoltage shutdown.
- Under or overtemperature shutdown.
- Short circuit protection.
- Auto-reset.

SAFE BATTERY CONSTRUCTION

- Top-quality cells welded to thick solid-copper distribution plate.
- All terminals are epoxy sealed.
- TEI listed battery (UL 1973).
- UL recognized cells (UL 1642) - file No. MH64383.

RUGGED CASE

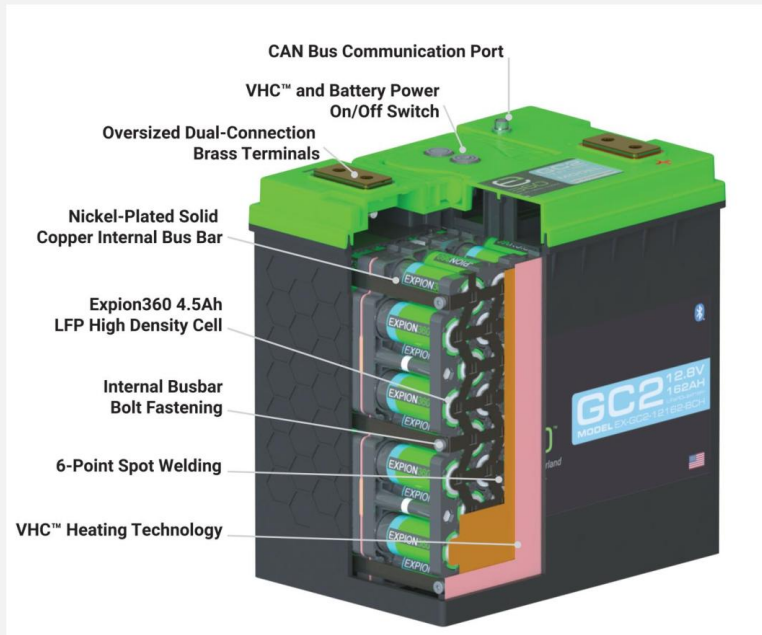
- UL 94 V-0 rated fiberglass-infused ABS case.
- Engineered insulation.
- Custom, no-slip, tie-down points.
- Round corners add strength & absorb shock.
- Rubber feet prevent sliding & reduce vibration.



Why Customers Choose E360

Vertical Heat Conduction™ (“VHC™”) internal heating technology

- Patent-pending innovation representing a significant breakthrough in battery performance, particularly in cold climates.
- Now included in the next generation Group 27 and GC2 12V series batteries.
- VHC heating technology utilizes Positive Temperature Coefficient Heating Film (“PTCHF”) to ensure uniform heat distribution across each cell, promoting optimal battery performance even in extreme cold conditions.
- Expion360’s Battery Management System provides real-time monitoring and control, enhancing operational safety and longevity in cold temperatures.





Product Line for Use Across Markets



12V Group 24

60Ah, 80Ah, 95Ah



**12V Group 27
LiFePO4**

100Ah, 120Ah



**12V Group 27
SmartTalk™ & VHC™**

100Ah, 132Ah



**12V GC2
SmartTalk™ & VHC™**

144Ah, 162Ah



**48V GC2
SmartTalk™**

36Ah



12V EX1

368Ah



12V EX1 SmartTalk™

368Ah, 450Ah



**12V EX2 Edge SmartTalk™ &
VHC™**

204Ah, 240Ah



**48V EX2 Edge SmartTalk™ &
VHC™**

51Ah, 60Ah



**AURA Powercap 600W
Inverter Bundle**

60Ah, 80Ah, 95Ah

Plus: Power Bundles, Mounting Kits, Adapter Cables, Inverters, Battery Monitor Kits, Chargers and Thermal Jackets



Go-to-Market Channels



Dealer Direct

- Sell directly to dealers who offer Expion360 products to their customers
- 300+ dealers & growing



Distributors

- Our distributors provide us access to thousands of retail store locations nationwide
- Elevates brand awareness and opens the door to new applications



OEMs

- Offers customers a scalable integrated power system solutions for their products
- Highly scalable & reduced time-to-market



Private Label

- Our standardized products sold under client's existing brand
- Enables turnkey, fast time-to-market, and rapid brand expansion
- Scale compatibility

Expanding Reseller Network: **300+** Nationwide and Growing



Our Proprietary Products and Manufacturing Capabilities are at the Foundation of Our Go-to-Market Strategy





Second Quarter 2024 Financial Highlights

	Three Months Ended June 30	
\$ in millions	2024	2023
Revenue	\$ 1.3	\$ 1.7
Gross profit	\$ 0.3	\$ 0.5
Gross margin (%)	25.5%	26.3%
Selling, general and administrative expenses	\$ 2.0	\$ 2.0
Net loss	\$ 2.2	\$ 1.5
\$ in millions	June 30, 2024	December 31, 2023
Cash and cash equivalents	\$ 0.9	\$ 3.9

August 8, 2024: Closed a public offering with gross proceeds to the Company of approximately \$10.0 million.



Closing Summary

- **We remain confident about our growth trajectory for 2024.**
- **2024 RV industry shipments are up 8.4%¹ year-over-year through June 2024.**
- **We are expanding our addressable market** by continuing to pursue the ongoing development of Home Energy Solutions.
- **We strive to share timely, impactful sales and product updates** on a regular basis and expect to continue making such announcements.
- **We were selected as strategic supplier** by multiple RV OEMs.
- **We continue to work towards additional OEM** market penetration with new major partners.
- **Expion360 is an industry leader** in premium lithium battery power storage solutions with expert design and integration of battery power components and finished products.
- **Continue to add features, improve energy density and develop unique OEM-centric form factors** including next generation Gen Group 27 and GC2 Series batteries with proprietary Vertical Heat Conduction technology, launch of the Edge™ battery featuring a slim profile that maximizes available space and incorporates Vertical Heat Conduction, SmartTalk Bluetooth and CAN Bus communication, and recently released specifications for [Home Energy Storage Solutions](#).
 - Next generation Group 27 and GC2 batteries began shipping to customers in May.
 - Edge™ battery is now available for preorder.

1. [RV Industry Association's March 2024 Survey of Manufacturers](#)

Q&A



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