

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

FORM 10-Q

(Mark
One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-41469

FORZA X1, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

87-3159685

(I.R.S. Employer Identification No.)

3101 S. US-1 Ft. Pierce, Florida

(Address of principal executive offices)

34982

(Zip Code)

(772) 429-2525

(Registrant's telephone number, including area code)

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	FRZA	The Nasdaq Stock Market, LLC (The Nasdaq Capital Market)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of November 6, 2023, there were 15,762,750 shares of Common Stock, \$0.001 par value per share, outstanding.

FORZA X1, INC.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements, other than statements of historical facts, contained in this Quarterly Report on Form 10-Q, including statements regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management, are forward-looking statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “will,” “would,” “could,” “should,” “continue” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

The forward-looking statements contained in this Quarterly Report on Form 10-Q are based on assumptions that we have made in light of our industry experience and our perceptions of historical trends, current conditions, expected future developments, and other factors we believe are appropriate under the circumstances. As you read and consider this Quarterly Report on Form 10-Q, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties (many of which are beyond our control), and assumptions. Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual operating and financial performance and cause our performance to differ materially from the performance anticipated in the forward-looking statements. We believe these factors include, but are not limited to, those described under “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Should one or more of these risks or uncertainties materialize, or should any of these assumptions prove incorrect, our actual operating and financial performance may vary in material respects from the performance projected in these forward-looking statements. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements.

As a result of these and other factors, we may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. We do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

NOTE REGARDING COMPANY REFERENCES

Throughout this Quarterly Report on Form 10-Q, “Forza,” “the Company,” “we” and “our” refer to Forza X1, Inc.

FORZA XI, INC.
Condensed Balance Sheets
(Unaudited)

	September 30, 2023	December 31, 2022
	<u>Unaudited</u>	
ASSETS		
Current Assets:		
Cash & Cash Equivalents	\$ 5,438,820	\$ 12,767,199
Marketable Securities - Available for Sale	9,896,520	—
Due from Twin Vee	4,618	—
Inventory	777,831	—
Prepaid Assets	124,996	519,735
Total Current Assets	<u>16,242,785</u>	<u>13,286,934</u>
Long-Term Assets:		
Property and Equipment, Net	1,051,936	765,406
Security Deposit	7,517	7,517
ROU Lease Asset	97,200	162,069
Total Long-Term Assets	<u>1,156,653</u>	<u>934,992</u>
Total Assets	<u>\$ 17,399,438</u>	<u>\$ 14,221,926</u>
LIABILITIES & STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable	\$ 38,513	\$ 99,028
Due to Twin Vee	—	169,851
Accrued Expenses	73,898	92,767
Contract Liabilities	5,800	5,300
ROU Lease Liability - S/T Portion	90,924	86,245
Financed Lease Liability - S/T Portion	17,233	—
Total Current Liabilities	<u>226,368</u>	<u>453,191</u>
Long-Term Liabilities:		
ROU Lease Liability	—	68,532
Financed Lease Liability	63,328	—
Total Long-Term Liabilities	<u>63,328</u>	<u>68,532</u>
Total Liabilities	<u>289,696</u>	<u>521,723</u>
Commitments and contingencies (Note 8)		
Stockholders' Equity		
Common Stock: 25,000,000 authorized; \$0.001 par value; 15,784,000 and 10,450,000 shares issued and outstanding, respectively	15,784	10,450
Additional Paid in Capital	25,716,690	17,777,385
Accumulated Deficit	(8,622,732)	(4,087,632)
Total Stockholders' Equity	<u>17,109,742</u>	<u>13,700,203</u>
Total Liabilities & Stockholders' Equity	<u>\$ 17,399,438</u>	<u>\$ 14,221,926</u>

The accompanying notes are an integral part of these unaudited condensed financial statements

FORZA X1, INC.
Condensed Statements of Operations
(Unaudited)

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net Sales - Related Party	\$ 18,559	\$ —	\$ 18,559	\$ —
Cost of Sales	11,621	66,543	102,358	90,633
Gross Profit (Loss)	<u>6,938</u>	<u>(66,543)</u>	<u>(83,799)</u>	<u>(90,633)</u>
Operating Expenses:				
Selling, General, & Administrative	217,455	125,851	906,432	267,657
Salaries & Wages	837,857	515,833	2,565,460	994,982
Professional Fees	92,505	35,221	286,411	70,831
Research & Development	60,667	283,936	1,024,787	718,375
Depreciation & Amortization	50,482	18,744	134,408	37,816
Total Operating Expenses	<u>1,258,966</u>	<u>979,585</u>	<u>4,917,498</u>	<u>2,089,661</u>
Operating Loss	<u>(1,252,028)</u>	<u>(1,046,128)</u>	<u>(5,001,297)</u>	<u>(2,180,294)</u>
Other Income (Expense):				
Interest Income	1,401	4,577	1,401	4,608
Dividend Income	150,284	—	412,551	—
Unrealized Gain	31,426	—	31,426	—
Realized Gain	23,747	—	23,747	—
Interest Expense	(1,144)	(1,112)	(2,928)	(1,970)
Loss on Disposal of Asset	—	—	—	(31,582)
Total Other Income (Expenses)	<u>205,714</u>	<u>3,465</u>	<u>466,197</u>	<u>(28,944)</u>
Net Loss	<u>\$ (1,046,314)</u>	<u>\$ (1,042,663)</u>	<u>\$ (4,535,100)</u>	<u>\$ (2,209,238)</u>
Loss Per Share:				
Basic	\$ (0.07)	\$ (0.12)	\$ (0.36)	\$ (0.29)
Weighted Average Shares Outstanding:				
Basic	15,784,000	8,837,470	12,579,866	7,619,275

The accompanying notes are an integral part of these unaudited condensed financial statements

FORZA XI, INC.
Condensed Statements of Stockholders' Equity
(Unaudited)

For the Three and Nine Months Ended September 30, 2022

	Common Stock		Additional Paid-in Capital	(Accumulated Deficit)	Total Stockholders' Equity
	Shares	Amount			
Balance, January 1, 2022	7,000,000	\$ 7,000	\$ 1,993,000	\$ (457,551)	\$ 1,542,449
Net Loss	—	—	—	(514,292)	(514,292)
Balance, March 31, 2022	7,000,000	7,000	1,993,000	(971,843)	1,028,157
Capital Contributions from Twin Vee	—	—	500,000	—	500,000
Net Loss	—	—	—	(652,283)	(652,283)
Balance June 30, 2022	7,000,000	7,000	2,493,000	(1,624,126)	875,874
Common Stock Issued for Cash	3,450,000	3,450	14,826,039	—	14,829,489
Stock-Based Compensation	—	—	158,705	—	158,705
Net Loss	—	—	—	(1,042,663)	(1,042,663)
Balance September 30, 2022	<u>10,450,000</u>	<u>\$ 10,450</u>	<u>\$ 17,477,744</u>	<u>\$ (2,666,789)</u>	<u>\$ 14,821,405</u>

For the Three and Nine Months Ended September 30, 2023

	Common Stock		Additional Paid-in Capital	(Accumulated Deficit)	Total Stockholders' Equity
	Shares	Amount			
Balance, January 1, 2023	10,450,000	\$ 10,450	\$ 17,777,385	\$ (4,087,632)	\$ 13,700,203
Stock-Based Compensation	—	—	341,163	—	341,163
Net Loss	—	—	—	(2,005,132)	(2,005,132)
Balance, March 31, 2023	10,450,000	10,450	18,118,548	(6,092,764)	12,036,234
Common Stock Issued for Cash	5,334,000	5,334	6,924,218	—	6,929,552
Stock-Based Compensation	—	—	341,817	—	341,817
Net Loss	—	—	—	(1,483,654)	(1,483,654)
Balance, June 30, 2023	15,784,000	15,784	25,384,583	(7,576,418)	17,823,949
Stock-Based Compensation	—	—	332,107	—	332,107
Net Loss	—	—	—	(1,046,314)	(1,046,314)
Balance September 30, 2023	<u>15,784,000</u>	<u>15,784</u>	<u>25,716,690</u>	<u>(8,622,732)</u>	<u>17,109,742</u>

The accompanying notes are an integral part of these unaudited condensed financial statements

FORZA X1, INC.
Condensed Statements of Cash Flows
(Unaudited)

	Nine Months Ended September 30,	
	2023	2022
Cash Flows From:		
OPERATING ACTIVITIES		
Net Loss	\$ (4,535,100)	\$ (2,209,238)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Depreciation & Amortization	134,408	37,816
Change in ROU Lease Asset	64,869	—
Change in Fair Value of Marketable Securities, Available for Sale	(31,426)	—
Non-Cash Charge for Stock Based Compensation	1,015,087	158,705
Loss on Disposal of Assets	—	31,582
Change in Operating Assets & Liabilities:		
Inventory	(777,831)	—
Prepaid Assets	394,739	(358,208)
Accounts Payable	(60,515)	26,151
Accrued Expenses	(18,869)	(23,438)
Contract Liabilities	500	4,900
ROU Lease Liability	(63,853)	—
Net Cash Used In Operating Activities	(3,877,991)	(2,331,730)
INVESTING ACTIVITIES		
Purchase of Property & Equipment	(328,534)	(465,086)
Net Purchase of Marketable Securities, Available for Sale	(9,841,346)	—
Realized Gains on Marketable Securities, Available for Sale	(23,747)	—
Net Cash Used In Investing Activities	(10,193,627)	(465,086)
FINANCING ACTIVITIES		
Proceeds from Sale of Common Stock	6,996,015	15,231,350
Deferred Offering Costs	(66,463)	(296,361)
Capital Contributions from Twin Vee	—	500,000
Finance Lease Liabilities	(11,844)	—
Due to Twin Vee	(755,299)	(890,198)
Due from Twin Vee	580,830	389,446
Net Cash Provided by Financing Activities	6,743,239	14,934,237
Net Cash Flow for Period	\$ (7,328,379)	\$ 12,137,421
Cash & Cash Equivalents - Beginning of Period	12,767,199	1,803,285
Cash & Cash Equivalents - End of Period	\$ 5,438,820	\$ 13,940,706
Supplemental Cash Flow Information		
Cash Paid During the Period for:		
Income Taxes	—	—
Interest	2,928	1,970
Non Cash Investing and Financing Activities		
Finance Leases	92,405	—

The accompanying notes are an integral part of these unaudited condensed financial statements.

FORZA X1, INC.
NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

1. Organization and Summary of Significant Accounting Policies

Organization

Forza X1, Inc. (“Forza” or the “Company”) was initially incorporated as Electra Power Sports, Inc. on October 15, 2021, but subsequently changed its name to Forza X1, Inc. on October 29, 2021. The Company’s parent company was incorporated in the State of Florida as Twin Vee Catamarans, Inc. on December 1, 2009, and reincorporated in Delaware on April 7, 2021, as Twin Vee PowerCats Co. (“Twin Vee”).

Basis of Presentation

The accompanying unaudited condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial statements and with the instructions to Quarterly Report on Form 10-Q and Rule 8-03 of Regulation S-X of the United States Securities and Exchange Commission (“SEC”). Accordingly, they do not contain all information and footnotes required by accounting principles generally accepted in the United States of America for annual financial statements.

In the opinion of the Company’s management, the accompanying unaudited condensed financial statements contain all the adjustments necessary (consisting only of normal recurring accruals) to present the financial position of the Company as of September 30, 2023 and the results of operations and cash flows for the periods presented. The results of operations for the three months and nine months ended September 30, 2023 are not necessarily indicative of the operating results for the full fiscal year or any future period. These unaudited condensed financial statements should be read in conjunction with the financial statements and related notes thereto for the year ended December 31, 2022 included in the Company’s Annual Report on Form 10-K filed with the SEC on March 28, 2023.

Revenue Recognition

The Company recognizes revenue when obligations under the terms of a contract are satisfied and control over promised goods is transferred to the dealer. Revenue is measured as the amount of consideration it expects to receive in exchange for a product.

Payment received for the future sale of a boat to a customer is recognized as a customer deposit. Customer deposits are recognized as revenue when control over promised goods is transferred to the customer. At September 30, 2023 and December 31, 2022, the Company had customer deposits of \$5,800 and \$5,300, respectively, which is recorded as contract liabilities on the Condensed Balance Sheet. These deposits are not expected to be recognized as revenue within a one-year period.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States “U.S. GAAP” requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates. Included in those estimates are assumptions about useful life of fixed assets.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with original maturities of three months or less at the time of the purchase. On September 30, 2023 and December 31, 2022, the Company had cash and cash equivalents of \$5,438,820 and \$12,767,199, respectively.

Marketable Securities

The Company's investments in debt securities are carried at either amortized cost or fair value. Investments in debt securities that the Company has the positive intent and ability to hold to maturity are carried at amortized cost and classified as held-to-maturity. Investments in debt securities that are not classified as held-to-maturity are carried at fair value and classified as either trading or available-for-sale. Realized and unrealized gains and losses on trading debt securities as well as realized gains and losses on available-for-sale debt securities are included in net income.

Fair Value of Financial Instruments

The Company follows accounting guidelines on fair value measurements for financial instruments measured on a recurring basis, as well as for certain assets and liabilities that are initially recorded at their estimated fair values. Fair Value is defined as the exit price, or the amount that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants as the measurement date. The Company uses the following three-level hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs to value its financial instruments:

- Level 1: Observable inputs such as unadjusted quoted prices in active markets for identical instruments.
- Level 2: Quoted prices for similar instruments that are directly or indirectly observable in the marketplace.
- Level 3: Significant unobservable inputs which are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires a significant judgment or estimation.

Financial instruments measured as fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires it to make judgments and consider factors specific to the asset or liability. The use of different assumptions and/or estimation methodologies may have a material effect on estimated fair values. Accordingly, the fair value estimates disclosed, or initial amounts recorded may not be indicative of the amount that the Company or holders of the instruments could realize in a current market exchange.

Concentrations of Credit and Business Risk

The Company minimizes the concentration of credit risk associated with its cash by maintaining its cash with high quality federally insured financial institutions. However, cash balances in excess of the Federal Deposit Insurance Corporation ("FDIC") insured limit of \$250,000 are at risk. At September 30, 2023 and December 31, 2022, the Company had \$5,108,626 and \$12,446,216, respectively, in excess of FDIC insured limits.

Inventories

Inventories, which are raw materials for upcoming production, are valued at the lower of cost and net realizable value, with cost determined using the average cost method. Net realizable value is defined as sales price less cost of completion, disposable and transportation and a normal profit margin. Production costs, consisting of labor and overhead, are applied to ending finished goods inventories at a rate based on estimated production capacity. Excess production costs are charged to Cost of Goods Sold. Provisions have been made to reduce excess or obsolete inventories to their net realizable value. Provisions for excess and obsolete inventories at September 30, 2023 and December 31, 2022, were \$90,085 and zero, respectively.

2. Property and Equipment

At September 30, 2023 and December 31, 2022, property and equipment consisted of the following:

	September 30, 2023	December 31, 2022
Boat Molds	\$ 574,415	\$ 528,966
Machinery & Equipment	171,534	59,806
Computers	50,626	37,016
Furniture & Fixtures	2,152	—
Vehicles	48,826	—
Prototype	142,526	142,526
Land	119,757	—
Assets under Construction	34,623	10,031
Websites	90,395	35,572
Less: Accumulated Depreciation	(182,919)	(48,511)
Property & Equipment, Net	<u>\$ 1,051,936</u>	<u>\$ 765,406</u>

For the three months ended September 30, 2023 and 2022, Depreciation & Amortization Expense was \$50,482 and \$18,744, respectively. For the nine months ended September 30, 2023 and 2022, Depreciation & Amortization expense was \$134,408 and \$37,816, respectively.

3. Marketable securities

The Company's investments in debt securities are carried at either amortized cost or fair value. Investments in debt securities that the Company has the positive intent and ability to hold to maturity are carried at amortized cost and classified as held-to-maturity. Investments in debt securities that are not classified as held-to-maturity are carried at fair value and classified as either trading or available-for-sale. Realized and unrealized gains and losses on trading debt securities as well as realized gains and losses on available-for-sale debt securities are included in net income.

Assets and liabilities measured at fair value on a recurring basis based on Level 1 and Level 2 fair value measurement criteria as of September 30, 2023 and December 31, 2022 are as follows:

	Balance as of September 30, 2023	Fair Value Based On		Significant Non-observable Inputs (Level 3)
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	
Marketable securities: Corporate Bonds	9,896,520	—	9,896,520	—
Total marketable securities	<u>\$ 9,896,520</u>	<u>\$ —</u>	<u>\$ 9,896,520</u>	<u>\$ —</u>

	Balance as of December 31, 2022	Fair Value Based On		Significant Non-observable Inputs (Level 3)
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	
Marketable securities: Corporate Bonds	—	—	—	—
Total marketable securities	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

The Company's investments in corporate bonds are measured based on quotes from market makers for similar items in active markets.

4. Leases

Operating right of use ("ROU") assets and operating lease liabilities are recognized at the lease commencement date. Operating lease liabilities represent the present value of lease payments not yet paid. Operating right of use assets represent the Company's right to use an underlying asset and is based upon the operating lease liabilities adjusted for prepayments or accrued lease payments, initial direct costs, lease incentives, and impairment of operating lease assets. To determine the present value of lease payments not yet paid, the Company estimates incremental secured borrowing rates corresponding to the maturities of the leases. We used the U.S. Treasury rate of 0.33% at December 31, 2022.

The Company leases a warehouse facility, and the land upon which the warehouse is located which are located at 150 Commerce Street, Old Fort, North Carolina (the "Property") from NC Limited Liability Company. The Company entered into the lease on October 7, 2022, the lease has a term of two years. The current base rent payment is \$7,517 per month including property taxes, insurance, and common area maintenance. The lease required a \$7,517 security deposit. The base rent will increase three percent (3%) on October 15, 2023.

At September 30, 2023 and December 31, 2022, supplemental balance sheet information related to leases were as follows:

	September 30, 2023	December 31, 2022
Operating lease ROU asset	\$ 97,200	\$ 162,069
	September 30, 2023	December 31, 2022
Operating lease liabilities:		
Current portion	\$ 90,924	\$ 86,245
Non-current portion	—	68,532
	<u>\$ 90,924</u>	<u>\$ 154,777</u>

At September 30, 2023, future minimum lease payments under the non-cancelable operating leases are as follows:

Years Ending December 31,

2023	\$	23,226
2024		69,680
Total lease payment	\$	92,906
Total imputed interest		1,982
Total	\$	90,924

The following summarizes other supplemental information about the Company's operating lease:

	September 30, 2023
Weighted average discount rate	4%
Weighted average remaining lease term (years)	0.96

Nine Months Ended September 30,
2023

Operating lease cost	\$	67,650
Total lease cost	\$	67,650

5. Finance Leases

The Company has finance leases for a vehicle and a forklift. The Company entered into the vehicle lease in February of 2023, with a recorded value of \$48,826 in net property and equipment. It is a 60-month lease at a 3.0% interest rate. The Company entered into the forklift lease in January of 2023, with a recorded value of \$43,579 in net property and equipment. It is a 60-month lease at a 7.5% interest rate. At the nine months ended September 30, 2023, the current and non-current portions of the lease liability were \$17,233 and \$63,328, respectively.

At September 30, 2023, future minimum payments under the non-cancelable finance leases are as follows:

Years Ending December 31,

2023	\$	5,237
2024		20,950
2025		20,950
2026		20,950
2027		20,945
2028		875
Total lease payment	\$	89,907
Total Imputed interest		9,346
Total	\$	80,561

6. Related Party Transactions

During the nine months ended September 30, 2023, the Company recognized revenue of \$18,559 related to the sale of a manufactured hull and deck to Twin Vee.

As of December 31, 2022, the Company had a current liability of \$169,851 due to Twin Vee. As of September 30, 2023, the Company had a current asset of \$4,618 due from Twin Vee. Prior to the Company's initial public offering ("IPO"), Twin Vee funded the Company's working capital needs, primarily for prototyping, consulting services, rent, interest, and payroll.

During the nine months ended September 30, 2023 and 2022, the Company repaid advancements from Twin Vee of \$755,299 and \$890,198, respectively, and had advancements from Twin Vee of \$580,830 and \$389,446, respectively.

Associated with amounts advanced and due to Twin Vee, for the nine months ended September 30, 2023 and 2022, the Company recorded interest expense of \$519 and \$858, respectively, based on a rate of 6% interest on the Company's average monthly balance.

Pursuant to a management agreement with Twin Vee, dated October 2021, and a subsequent agreement dated September 2022, for various management services, the Company paid \$5,000 monthly through August of 2021, and \$6,800 monthly thereafter for management fee associated with the use of shared management resources. The September 2022 agreement expired on August 31, 2023, and was renewed for another year under the same terms. For the three months ended September 30, 2023 and 2022, the Company recorded management fees of \$20,400 and \$16,725, respectively, pursuant to this management agreement. For the nine months ended September 30, 2023 and 2022, the Company recorded management fees of \$61,200 and \$46,725, respectively, pursuant to this management agreement.

For the three months ended September 30, 2023 and 2022, the Company recorded rent expense of approximately \$10,200 and \$2,550, respectively, associated with its month-to-month arrangement to utilize certain space at Twin Vee's facility. For the nine months ended September 30, 2023 and 2022 the Company recorded rent expense of approximately \$30,600 and \$7,650, respectively, associated with its month-to-month arrangement to utilize certain space at Twin Vee's facility. The Company incurred \$850 per month for rent expense for approximately 1,000 square feet, from January of 2021 through September 2022, and in October of 2022 the month-to-month rent was adjusted to \$3,400 per month, as the number of test boats had increased from 1 to 5, and the Company required 4,100 square feet of additional space. The Company's use of Twin Vee's facilities does vary based on the number of prototype units on property and in process. The Company's corporate headquarters are located at Twin Vee's location; however, a number of its employees and consultants work remotely.

In August of 2022, the Company signed a six-month lease for a duplex on a property in Black Mountain, NC, to be used by its traveling employees during the construction of its new manufacturing facility, for \$2,500 per month. After the initial term of the lease, it was extended on a month-to-month basis. In August of 2023, the Company's president, James Leffew, purchased the property, and the Company executed a new lease agreement with Mr. Leffew on the same month-to-month terms. For the three months ended September 30, 2023 and 2022, the lease expense was zero and \$2,536, respectively. For the nine months ended September 30, 2023 and 2022, the lease expense was \$12,500 and \$2,536, respectively.

7. Accrued Expenses

At September 30, 2023 and December 31, 2022, accrued liabilities consisted of the following:

	September 30, 2023	December 31, 2022
Accrued wages and benefits	\$ 28,748	\$ 56,581
Accrued operating expense	45,150	36,186
Total	<u>\$ 73,898</u>	<u>\$ 92,767</u>

8. Liquidity

As of September 30, 2023, the Company had cash and cash equivalents and working capital of \$5,438,820 and \$16,016,417, respectively, compared to \$12,767,199 and \$12,833,743, respectively, on December 31, 2022. On June 12, 2023 the Company completed a public offering that closed on June 14, 2023, which increased its cash by \$6,929,552. For the three months ended September 30, 2023 and 2022, the Company incurred a net loss of \$1,046,314 and \$1,042,663, respectively. For the nine months ended September 30, 2023 and 2022, the Company incurred a net loss of \$4,535,100 and \$2,209,238, respectively. Losses have principally occurred as a result of the research and development efforts coupled with no operating revenue.

The Company has no current source of revenue and may seek additional equity and/or debt financing. A successful transition to attaining profitable operations is dependent upon achieving a level of positive cash flows adequate to support the Company's cost structure.

9. Commitments and Contingencies

Litigation

The Company is currently involved in civil litigation in the normal course of business, the Company does not consider this to be material.

10. Stockholders' Equity

Common Stock Warrants

The Company had outstanding warrants to purchase 172,500 shares of common stock issuable at a weighted-average exercise price of \$6.25 per share that were issued to the representative of the underwriters on August 16, 2022 in connection with the Company's IPO. The Company also had outstanding warrants to purchase 306,705 shares of common stock issuable at a weighted-average exercise price of \$1.88 per share that were issued to the representative of the underwriters on June 14, 2023 in connection with the Company's secondary offering. The representative's warrants are exercisable at any time and from time to time, in whole or in part, and expire on August 16, 2027 and June 16, 2028, respectively. There was no warrant activity during the three or nine months ended September 30, 2023.

Equity Compensation Plan

The Company maintains an equity compensation plan (the "Plan") under which it may award employees, directors and consultants' incentive and non-qualified stock options, restricted stock, stock appreciation rights and other stock-based awards with terms established by the Compensation Committee of the Board of Directors which has been appointed by the Board of Directors to administer the plan. The number of awards under the Plan automatically increased on January 1, 2023. As of September 30, 2023, there were 573,472 shares remaining available for grant under this Plan. Stock based compensation expense is included in the Condensed Statements of Operations, under salaries and wages.

Accounting for Stock -Based Compensation

Stock Compensation Expense - For the three months ended September 30, 2023 and 2022, the Company recorded \$332,107 and \$158,705, respectively, of stock-based compensation expense which is included in salaries and wages on the accompanying condensed statement of operations. For the nine months ended September 30, 2023 and 2022, the Company recorded \$1,015,087 and \$158,705, respectively, of stock-based compensation expense which is included in salaries and wages on the accompanying condensed statement of operations.

Forza's 2022 Stock Incentive Plan (the "Plan")- Forza has issued stock options. A stock option grant gives the holder the right, but not the obligation to purchase a certain number of shares at a predetermined price for a specific period of time. Forza typically issues options that vest pro rata on a monthly basis over various periods. Under the terms of the Plan, the contractual life of the option grants may not exceed ten years.

The Company utilizes the Black-Scholes model to determine fair value of stock option awards on the date of grant. The Company utilized the following assumptions for option grants during the nine months ended September 30, 2023:

	Nine months ended September 30, 2023
Expected term	5 years
Expected average volatility	112% -115%
Expected dividend yield	—
Risk-free interest rate	2.98% -3.62%

The expected volatility of the option is determined using historical volatilities based on historical stock price of comparable boat manufacturing companies. The Company estimated the expected life of the options granted based upon historical weighted average of comparable boat manufacturing companies. The risk-free interest rate is determined using the U.S. Department of the Treasury yield curve rates with a remaining term equal to the expected life of the option. The Company has never paid a dividend, and as such the dividend yield is 0.0%

	Options Outstanding		Weighted Average Remaining life (years)	Fair value of option
	Number of Options	Weighted Average Exercise Price		
Outstanding, December 31, 2021	—	\$ —	—	\$ —
Granted	1,441,500	3.41	10.00	4,009,913
Exercised	—	—	—	—
Forfeited/canceled	—	—	—	—
Outstanding, December 31, 2022	1,441,500	\$ 3.41	9.97	\$ 4,009,913
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited/canceled	(44,722)	1.33	9.66	—
Outstanding, September 30, 2023	1,396,778	\$ 3.48	9.01	\$ 4,009,913
Exercisable options, September 30, 2023	476,639	\$ 3.85	8.98	

11. Subsequent Events

The Company has evaluated all events or transactions that occurred after September 30, 2023 through November 15, 2023, which is the date that the condensed financial statements were available to be issued. During this period, there were no material subsequent events requiring recognition or disclosure.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes included in this Quarterly Report on Form 10-Q. The following discussion contains forward-looking statements that involve risks and uncertainties. This discussion may contain forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements." Our actual results and the timing of certain events could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those discussed below and elsewhere in this Quarterly Report on Form 10-Q. This discussion should be read in conjunction with the accompanying unaudited condensed financial statements and notes thereto. You should also review the disclosure under the heading "Risk Factors" in this Quarterly Report on Form 10-Q and under Part 1, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 28, 2023 for a discussion of important factors that could cause our actual results to differ materially from those anticipated in these forward-looking statements.

Overview

Forza Business

We aim to be among the first to develop and manufacture electric boats targeting the US recreational market. Our mission is to inspire the adoption of sustainable recreational boating by producing stylish electric sport boats. We are focused on the creation and implementation of marine electric vehicle ("EV") technology to control and power our electric boats utilizing our proprietary outboard electric motor. Our electric boats are being designed as fully integrated electric boats including the hull, outboard motor, and control system.

We believe that the boating industry will follow in the footsteps of the electrification of the automotive industry by adopting electric boats that meet or exceed the traditional boating consumer's expectations of price, value and run times. In other words, electric boats must offer a similar experience when compared to traditional gas-powered boats in terms of size, capability, and price point.

To date, Forza has built-out and tested multiple Forza company units, including: three offshore-style catamarans, two bay boat-style catamarans, one deck boat and three 22-foot center console (F22) monohulls. In addition, we have also electrified a pontoon boat for a major national pontoon manufacturer. We are in the process of an additional pontoon electrification project and are building an additional five monohulls. Each build cycle includes improvements and involves extensive duration and performance testing. The engine design and lower units and the control systems are continuously improved with each iteration. Cooling system improvements have also been prioritized and have yielded a myriad of benefits to runtime, speed, and range. We continue to iterate the engine design, including value engineering of parts and lightweighting of engine components. We are experimenting with our first 300 HP stacked motor design.

In June, Forza announced that it received an initial purchase order from OneWater Marine, Inc. indicating its intention to purchase 100 units of the Company's upcoming 22-foot electric monohull boat, which was introduced in March of 2023. As Forza gets into commercialization, the order could equate to approximately \$12,000,000 in revenue. This milestone agreement will allow Forza to sell through the conventional dealer model sales channel to support those looking for a more traditional way of purchasing a boat, or to accompany trade-ins, financing needs, and training. The participation of OneWater has been well-received in the marketplace and is a significant achievement for Forza.

In addition to the conventional dealer sales avenue, Forza will also pursue, as a parallel sales channel, a direct-to-consumer option for those more comfortable with the convenience of order from home opportunities that are now readily accepted in the EV space. We are building a dedicated web and app-based platform for sales, deliveries, and service operations for ease of use, flexibility, and changing consumer preferences. We intend to employ an integrated, digital-first strategy that is convenient and transparent for our customers and efficient and scalable to support our growth. We believe our approach will enable us to provide the best of both worlds to prospective customers and support our mission to electrify recreational boating for mass consumption.

Recently, we have engaged with several high-profile marine manufacturers and are offering our electrification expertise and hardware packages as a service. We are in the design and prototype phase to provide our solution to a nationally recognized boat manufacturer and are expected to build up two demonstration units for their late summer open house & dealer meeting. Additional confidential discussions have been held with other renowned and start-up manufacturers representing a variety of hull platform types.

Forza held a very successful "Electrified Event" on July 8th in the Ben Hotel in West Palm Beach, Florida. The Forza F22 monohull was unveiled and approximately two-hundred media members, investors, supporters, and interested parties gathered for a presentation and summary of our history and a glimpse into our future plans. Media members were able to participate in rides on the 100% electric boat and discuss our innovative technology with Forza engineers.

In August, Polaris Marine selected Forza to electrify two pontoon boats as demonstration units for Bennington and Godfrey Pontoon, who utilized the Forza's outboard motor to test and demonstrate its viability in the future development of watercraft specifically optimized for electric propulsion. The Forza electrified vessels were used in over 50 test runs over the course of their annual dealer meetings from August 9 through August 24, 2023, and both units performed flawlessly. Adopting effective high-power, high-performance, and long-range electric propulsion is anticipated to be the next evolution in luxury pontoons, because electric propulsion adds the benefits of instantaneous torque, as well as the ability to navigate in noise restricted environments.

Construction is underway at Forza's North Carolina property and is expected to last for approximately ten months. To date, all of the structural steel and rebar has been delivered and the 60,000 square foot pad is being prepped for concrete and footer work. The building will be capable of producing 500 boats annually, or more, and will serve as the technology and fabrication center for Forza.

Forza completed its first 22-foot full electrified dual console model and successfully tested it in September and October of 2023. The boat model will be offered in 2024 with the existing center console. As expected, Forza has made numerous improvements to its engine and propulsion systems and is experimenting with additional battery configurations to optimize performance.

Recent Developments

On June 12, 2023, we issued and sold in a firm commitment underwritten public offering (the “Offering”) pursuant to the term of an underwriting agreement that we entered into with ThinkEquity LLC on June 10, 2023 (the “Underwriting Agreement”), an aggregate of 5,334,000 shares of our Common Stock at a public offering price of \$1.50 per share, for gross proceeds of \$8,001,000, before deducting underwriting discounts, commissions and offering expenses.

Results of Operations

Comparison of the Three Months Ended September 30, 2023 and 2022

The following table provides certain selected financial information for the periods presented:

	Three Months Ended September 30,		Change	% Change
	2023	2022		
Net Sales - Related Party	\$ 18,559	\$ —	\$ 18,559	—
Cost of Sales	11,621	66,543	(54,922)	(83%)
Gross Loss	6,938	(66,543)	73,481	(110%)
Operating Expenses	1,258,966	979,585	279,381	29%
Operating Loss	(1,252,028)	(1,046,128)	(205,900)	20%
Other Income	205,714	3,465	202,249	5,837%
Net Loss	\$ (1,046,314)	\$ (1,042,663)	\$ (3,651)	0%
Net Loss per Common Share:				
Basic	\$ (0.07)	\$ (0.12)	\$ 0.05	(42%)
Weighted average number of common shares outstanding:				
Basic	15,784,000	8,837,470	6,946,530	

Operating Expenses

Operating expenses for the three months ended September 30, 2023 increased by \$279,381 to \$1,258,966 as compared to \$979,585 for the three months ended September 30, 2022. Operating expenses include salaries, selling, general, and administrative, research and development, professional fees, and depreciation. Research and development costs for the three months ended September 30, 2023 were \$60,667, as compared to \$283,936 for the three months ended September 30, 2022. Our research and development expenses declined for the quarter, due to large expenditures in the year ago period when we were in the early stages of development of our prototype electric motors and control systems. Going forward, research and development expenses will continue to increase. Salaries and wages for the three months ended September 30, 2023 were \$837,857, as compared to \$515,833 for the three months ended September 30, 2022, and were primarily related to additional staffing in engineering and design. Our staffing has increased from 12 employees on September 30, 2022, to 18 employees as of September 30, 2023. For the three months ended September 30, 2023, salaries and wages included \$332,107 of stock option expense, as compared to \$158,705 for the three months ended September 30, 2022. Our expenses for selling, general, and administrative for the three months ended September 30, 2023, were \$217,455, as compared to \$125,851 for the three months ended September 30, 2022. Professional fees for the three months ended September 30, 2023 were \$92,505, as compared to \$35,221 for the three months ended September 30, 2022, the increase due largely to the higher legal and compliance costs associated with being a public company. Depreciation and amortization for the three months ended September 30, 2023 was \$50,842, as compared to \$18,744 for the three months ended September 30, 2022, the increase being attributable to the ongoing addition of equipment and tooling.

Other expense and income

Interest expense was \$1,144 and \$1,112, respectively for the three months ended September 30, 2023 and 2022.

Because the proceeds from our IPO and secondary offering are partly invested in money market vehicles, those monies earn dividend income, interest income, and capital gains. Dividend and interest income was \$151,685 and \$4,577, respectively, for the three months ended September 30, 2023 and 2022. Realized and unrealized gains were \$55,173 and zero, respectively, for the three months ended September 30, 2023 and 2022.

Comparison of the Nine Months Ended September 30, 2023 and 2022

The following table provides certain selected financial information for the periods presented:

	Nine Months Ended September 30,		Change	% Change
	2023	2022		
Net Sales - Related Party	\$ 18,559	\$ —	\$ 18,559	—
Cost of Sales	102,358	90,633	11,725	13%
Gross Loss	(83,799)	(90,633)	6,834	(8%)
Operating Expenses	4,917,498	2,089,661	2,827,837	135%
Operating Loss	(5,001,297)	(2,180,294)	(2,821,003)	129%
Other Income	466,197	(28,944)	495,141	(1,711%)
Net Loss	\$ (4,535,100)	\$ (2,209,238)	\$ (2,325,862)	105%
Net Loss per Common Share:				
Basic	\$ (0.36)	\$ (0.29)	\$ (0.07)	24%
Weighted average number of common shares outstanding:				
Basic	12,579,866	7,619,275	4,960,591	

Operating Expenses

Operating expenses for the nine months ended September 30, 2023 increased by \$2,827,837 to \$4,917,498, as compared to \$2,089,661 for the nine months ended September 30, 2022. Operating expenses include salaries, selling, general, and administrative, research and development, professional fees and depreciation. Research and development costs for the nine months ended September 30, 2023 were \$1,024,787, as compared to \$718,375 for the nine months ended September 30, 2022. As we moved to the prototype and testing of our electric motors and control systems on boats, our expenses increased as compared to the same period a year ago when we were still in the early stages of development. Salaries and wages for the nine months ended September 30, 2023 were \$2,565,460, as compared to \$994,982 for the nine months ended September 30, 2022, and were primarily related to additional staffing in engineering and design. Our staffing has increased from 12 employees on September 30, 2022, to 18 employees as of September 30, 2023. For the nine months ended September 30, 2023, salaries and wages included \$1,015,087 of stock option expense, as compared to \$158,705 for the nine months ended September 30, 2022. Our selling, general, and administrative expenses for the nine months ended September 30, 2023, were \$906,432 as compared to \$267,657 for the nine months ended September 30, 2022. Professional fees were \$286,411 for the nine months ended September 30, 2023, as compared to \$70,831 for the nine months ended September 30, 2022, the increase due largely to the higher legal and compliance costs associated with being a public company. Depreciation and amortization for the nine months ended September 30, 2023 was \$134,408, as compared to \$37,816 for the nine months ended September 30, 2022, the increase being attributable to the ongoing addition of equipment and tooling.

Other Income and Expense

Because the proceeds from our IPO and secondary offering are partly invested in money market vehicles, those monies earn dividend income, interest income, and capital gains. Dividend and interest income was \$413,952 and \$4,608, respectively, for the nine months ended September 30, 2023 and 2022. Realized and unrealized gains were \$55,173 and zero, respectively, for the nine months ended September 30, 2023 and 2022.

There was a loss on disposal of assets of \$31,582 for the nine months ended September 30, 2022, relating to a deposit on a land purchase agreement in St. Lucie County, FL. The agreement was abandoned after it was determined that the construction of a facility on that site would be cost prohibitive, whereby the deposit was forfeited. There was no such expense for the nine months ended September 30, 2023.

Interest expense was \$2,928 and \$1,970, respectively, for the nine months ended September 30, 2023 and 2022.

Liquidity and Capital Resources

The following table provide selected financial data as of September 30, 2023 and December 31, 2022:

	September 30, 2023	December 31, 2022	Change	% Change
Cash and Cash Equivalents	\$ 5,438,820	\$ 12,767,199	\$ (7,328,379)	(57.4%)
Current Assets	\$ 16,242,785	\$ 13,286,934	\$ 2,955,851	22.2%
Current Liabilities	\$ 226,368	\$ 453,191	\$ (226,823)	(50.1%)
Working Capital	\$ 16,016,417	\$ 12,833,743	\$ 3,182,674	24.8%

As of September 30, 2023, we had cash and cash equivalents, and working capital of \$5,438,820 and \$16,016,417, respectively, compared to \$12,767,199 and \$12,833,743, respectively, on December 31, 2022. We have incurred and expect to continue to incur significant costs in pursuit of our financing and construction of our new manufacturing facility. Our management plans to use the proceeds from the IPO and the secondary offering to finance these expenses. We believe that our current capital resources will be sufficient to fund our operations and growth initiative until we start selling electric boat and electric propulsion systems, and that our current capital resources will be sufficient for another 15 months following the date of this Quarterly Report on Form 10-Q. The Company expects to continue to incur net losses, and to have significant cash outflows for at least the next 12 months.

	Nine Months Ended September 30,		Change	% Change
	2023	2022		
Cash Used in Operating Activities	\$ (3,877,991)	\$ (2,331,730)	\$ (1,546,261)	66%
Cash Used in Investing Activities	\$ (10,193,627)	\$ (465,086)	\$ (9,728,541)	2092%
Cash Provided by Financing Activities	\$ 6,743,239	\$ 14,934,237	\$ (8,190,998)	-55%
Net Change in Cash	\$ (7,328,379)	\$ 12,137,421	\$ (19,465,800)	-160%

Cash Flow from Operating Activities

During the nine months ending September 30, 2023 and 2022, we generated negative cash flows from operating activities of \$3,877,991 and \$2,331,730, respectively. During the nine months ending September 30, 2023 and 2022, we had a net loss of \$4,535,100 and \$2,209,238, respectively. During the nine months ending September 30, 2023, our cash used in operating activities was further impacted by an increase in inventories of \$777,831. During the nine months ending September 30, 2022, our cash used in operating activities was further impacted by an increase in prepaid assets of \$358,208.

Cash Flows from Investing Activities

For the nine months ended September 30, 2023 and 2022, we used \$10,193,627 and \$465,086, respectively, in investing activities primarily for the purchase of marketable securities, and to a lesser extent, for the purchase of property and equipment.

Cash Flows from Financing Activities

During the nine months ended September 30, 2023, net cash provided by financing activities was \$6,743,239. The cash flow from financing activities for the nine months ended September 30, 2023 included net proceeds of \$6,929,552 from a follow on underwritten public offering in June 2023. During the nine months ended September 30, 2022, net cash provided by financing activities was \$14,934,237, driven mostly by the net proceeds from the Company's initial public offering.

Critical Accounting Estimates

This discussion and analysis of our financial condition and results of operations is based on four financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States, or GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, that results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimated under different assumptions or conditions. While our significant accounting policies are described in more detail in the notes to our financial statements included elsewhere in the Quarterly Report on Form 10-Q, we believe that the following accounting policies are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving managements judgements and estimates.

Controls and Procedures

We are not currently required to maintain an effective system of internal controls as defined by Section 404 of the Sarbanes-Oxley Act. We will be required to comply with the internal control over financial reporting requirements of the Sarbanes-Oxley Act for the twelve-month period ending December 31, 2023. Only in the event that we are deemed to be a large accelerated filer or an accelerated filer, and no long qualify as an emerging growth company, would we be required to comply with the independent registered public accounting firm attestation requirement. Further, for as long as we remain an emerging growth company as defined in the JOBS Act, we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the independent registered public accounting firm attestation requirement.

Revenue Recognition

The Company recognizes revenue when obligations under the terms of a contract are satisfied and control over promised goods is transferred to the dealer. Revenue is measured as the amount of consideration it expects to receive in exchange for a product.

Payment received for the future sale of a boat to a customer is recognized as a customer deposit. Customer deposits are recognized as revenue when control over promised goods is transferred to the customer. At September 30, 2023 and December 31, 2022, the Company had customer deposits of \$5,800 and \$5,300, respectively, which is recorded as contract liabilities on the Condensed Balance Sheet. These deposits are not expected to be recognized as revenue within a one-year period.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("U.S. GAAP") required management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates. Included in those estimates are assumptions about useful life of fixed assets.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with original maturities of three months or less at the time of purchase. On September 30, 2023, the Company had cash and cash equivalents of \$5,438,820, and on December 31, 2022, the Company had cash and cash equivalents of \$12,767,199.

Property and Equipment

Property and equipment are stated at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. The estimated useful lives of property and equipment range from three to seven years. Upon sale or retirement, the cost and related accumulated depreciation and amortization are eliminated from their respective accounts, and the resulting gain or loss is included in the results of operations. Repairs and maintenance expenses, which do not increase the useful lives of the assets, are charged to operations as incurred.

Impairment of Long-lived Assets

Management assesses the recoverability of its long-lived assets when indicators of impairment are present. If such indicators are present, recoverability of these assets is determined by comparing the undiscounted net cash flows estimated to result from those assets over the remaining life to the assets' net carrying amounts. If the estimated undiscounted net cash flows are less than the net carrying amount, the assets would be adjusted to their fair value, based on appraisal or the present value of the undiscounted net cash flows.

Research and Development

Research and development costs are expensed as incurred. Such costs for the three months ended September 30, 2023 were \$60,667, as compared to \$283,936 for the three months ended September 30, 2022. For the nine months ended September 30, 2023, they were \$1,024,787 as compared to \$718,375 for the nine months ending September 30, 2022.

Advertising Costs

Advertising and marketing costs are expensed as incurred. Such costs for the three months ended September 30, 2023 were \$28,146, as compared to \$5,582 for the three months ended September 30, 2022. For the nine months ended September 30, 2023, they were \$90,492 as compared to \$8,314 for the nine months ended September 30, 2022. Advertising and marketing costs are included in selling, general, and administrative expenses in the accompanying statements of operations.

Leases

The Company determines if an arrangement is a lease at inception. Operating lease right-of-use ("ROU") assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As the Company's leases do not provide an implicit rate, it uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The Company calculates the associated lease liability and corresponding ROU asset upon lease commencement using a discount rate based on a credit-adjusted secured borrowing rate commensurate with the term of the lease. The operating lease ROU asset also includes any lease payments made and is reduced by lease incentives. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expenses for lease payments is recognized on a straight-line basis over the lease term.

Income Taxes

The Company is a C Corporation under the Internal Revenue Code and a similar section of the state code.

All income tax amounts reflect the use of the liability method under accounting for income taxes. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes arising primarily from differences between financial and tax reporting purposes.

Deferred income taxes, net of appropriate valuation allowances, are determined using the tax rates expected to be in effect when the taxes are actually paid. Valuation allowances are recorded against deferred tax assets when it is more likely than not that such assets will not be realized. When an uncertain tax position meets the more likely than not recognition threshold, the position is measured to determine the amount of benefit or expense to recognize in the financial statements.

In accordance with U.S GAAP, the Company follows the guidance in FASB ASC Topic 740, Accounting for Uncertainty in Income Taxes. At September 30, 2023, the Company does not believe it has any uncertain tax positions that would require either recognition or disclosure in the accompanying financial statements.

The Company's income tax returns are subject to review and examination by federal, state and local governmental authorities.

Recent Accounting Pronouncements

All newly issued accounting pronouncements not yet effective have been deemed either immaterial or not applicable.

OFF-BALANCE SHEET ARRANGEMENTS

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under Securities and Exchange Commission rules.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (Principal Executive Officer) and our interim Chief Financial Officer (Principal Financial Officer), evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2023. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. We have adopted and maintain disclosure controls and procedures (as defined Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to provide reasonable assurance that information required to be disclosed in the reports filed under the Exchange Act, such as this Quarterly Report on Form 10-Q, is collected, recorded, processed, summarized and reported within the time periods specified in the rules of the SEC. Our disclosure controls and procedures are also designed to ensure that such information is accumulated and communicated to management to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of September 30, 2023 our Chief Executive Officer and our interim Chief Financial Officer concluded that, as of such a date, our disclosure controls and procedures were not effective at the reasonable assurance level, due to the material weaknesses in our internal control over financial reporting, as further described below.

Previously Reported Material Weakness

As disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022, we previously identified material weaknesses in our internal control over financial reporting relating to a lack of segregation of duties. A material weakness is a deficiency or combination of deficiencies in our internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our condensed financial statements would not be prevented or detected on a timely basis. These deficiencies could result in additional misstatements to our condensed financial statements that would be material and would not be prevented or detected on a timely basis.

Remediation Plan

Management has developed and is executing a remediation plan to address the previously disclosed material weaknesses. We are actively engaged in the remediation of each of the outstanding material weaknesses, to include the retention of a full-time controller and the utilization of outside advisors where appropriate. With their added expertise, we will continue to make improvements in our accounting processes over the coming months. In the third quarter, we also completed the migration of our data into the SAP ByDesign ERP platform, which will aid in the segregation of access and responsibilities, as well as improve our reporting processes.

Additional time is required before we can demonstrate the effectiveness of the remediation efforts. The material weaknesses cannot be considered remediated until the applicable remedial controls operate for a sufficient period of time over which management can conclude, through testing, that these controls are operating effectively.

Changes in Internal Control over Financial Reporting

We continue to develop and refine our controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file with the SEC are recorded, processed, summarized and reported within the time periods specified in SEC rules and in accordance with GAAP.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

From time to time, we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. We are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

ITEM 1A. RISK FACTORS.

Investing in our securities involves a high degree of risk. You should consider carefully the following risks and the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2022, together with all the other information in this Quarterly Report on Form 10-Q, including our condensed financial statements and notes thereto. If any of the following risks actually materializes, our operating results, financial condition and liquidity could be materially adversely affected. The following information updates, and should be read in conjunction with, the information disclosed in Part I, Item 1A, "Risk Factors," contained in our Annual Report on Form 10-K for the year ended December 31, 2022. Except as disclosed below, there have been no material changes from the risk factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022.

RISKS RELATED TO OUR BUSINESS

There is substantial doubt about our ability to continue as a going concern. Our independent registered public accounting firm has expressed doubt about our ability to continue as a going concern.

The report of our independent registered public accounting firm contains a note stating that the accompanying financial statements have been prepared assuming we will continue as a going concern. During the nine months ended September 30, 2023 and 2022, we incurred a net loss of \$4,535,100 and \$2,209,238, respectively and used cash in operations of \$3,877,991 and \$2,331,730, respectively. During the year ended December 31, 2022, we incurred a net loss of \$3,630,081 and used cash in operations of \$3,377,621. Losses have principally occurred as the result of our research and development efforts coupled with a lack of operating revenue. Until we begin generating revenue, there is doubt about our ability to become a going concern in the future.

Our outstanding common stock is substantially controlled by our management.

Twin Vee PowerCats, Co. currently owns 44.35% of our outstanding common stock. Joseph Visconti, who currently serves as our Executive Chairman and Chief of Product Development is also the Chairman of the Board and Chief Executive Officer of our parent company, Twin Vee PowerCats Co. Mr. Visconti beneficially owns 26.60 % of the outstanding stock of Twin Vee PowerCats Co, in addition to stock and vested options in Forza X1 representing 1.66% of the outstanding stock. As a result, Mr. Visconti is deemed to beneficially own 13.45% of Forza X1. As a result of these holdings, Mr. Visconti does and will have significant influence over our management and affairs and over matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions. Therefore, Twin Vee PowerCats Co. will have substantial influence over any election of our directors and our operations. It should also be noted that for the most part, authorization to modify our amended and restated certificate of incorporation, as amended, requires only majority stockholder consent and approval to modify our amended and restated bylaws requires authorization of only a majority of the board of directors. This concentration of ownership could also have the effect of delaying or preventing a change in our control. Accordingly, our Executive Chairman and Chief of Product Development could cause us to enter into transactions or agreements that we would not otherwise consider. In addition, this concentration of ownership may delay or prevent a change in our control and might affect the market price of our common stock, even when a change in control may be in the best interest of all stockholders. Furthermore, the interests of this concentration of ownership may not always coincide with our interests or the interests of other stockholders.

We may need to raise additional capital that may be required to grow our business, and we may not be able to raise capital on terms acceptable to us or at all.

Operating our business and maintaining our growth efforts will require significant cash outlays and advance capital expenditures and commitments. Our current plans also involve constructing a 100,000 square foot state-of-the-art manufacturing facility dedicated to developing and manufacturing our FX series electric boats, the cost of which is uncertain. Although the proceeds of our initial public offering and our secondary offering should be sufficient to fund our operations, if cash on hand and cash generated from operations and from our initial public offering and subsequent follow on offering are not sufficient to meet our cash requirements, we will need to seek additional capital, potentially through debt or equity financings, to fund our growth. We cannot assure you that we will be able to raise needed cash on terms acceptable to us or at all. Financing may be on terms that are dilutive or potentially dilutive to our stockholders, and the prices at which new investors would be willing to purchase our securities may be lower than the price per share of our common stock paid by existing holders. The holders of new securities may also have rights, preferences or privileges which are senior to those of existing holders of common stock. If new sources of financing are required, but are insufficient or unavailable, we will be required to modify our growth and operating plans based on available funding, if any, which would harm our ability to grow our business.

We do not yet have adequate internal controls, and we cannot provide assurances that these weaknesses will be effectively remediated or that additional material weaknesses will not occur in the future.

As a public company, we are subject to the reporting requirements of the Exchange Act, and the Sarbanes-Oxley Act. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting and financial compliance costs, make some activities more difficult, time consuming and costly, and place significant strain on our personnel, systems and resources.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures, and internal control over financial reporting.

We do not yet have effective disclosure controls and procedures, or internal controls over all aspects of our financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized and reported within the time periods specified in SEC rules and in accordance with GAAP. Our management is responsible for establishing and maintaining adequate internal control over our financial reporting, as defined in Rule 13a-15(f) under the Exchange Act. We will be required to expend time and resources to further improve our internal controls over financial reporting, including by expanding our staff. However, we cannot assure you that our internal control over financial reporting, as modified, will enable us to identify or avoid material weaknesses in the future.

We will be required to expend time and resources to further improve our internal controls over financial reporting, including by expanding our staff. However, we cannot assure you that our internal control over financial reporting, as modified, will enable us to identify or avoid material weaknesses in the future.

We have not yet retained sufficient staff or engaged sufficient outside consultants with appropriate experience in GAAP presentation, especially of complex instruments, to devise and implement effective disclosure controls and procedures, or internal controls. We will be required to expend time and resources hiring and engaging additional staff and outside consultants with the appropriate experience to remedy these weaknesses. We cannot assure you that management will be successful in locating and retaining appropriate candidates; that newly engaged staff or outside consultants will be successful in remedying material weaknesses thus far identified or identifying material weaknesses in the future; or that appropriate candidates will be located and retained prior to these deficiencies resulting in material and adverse effects on our business.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business, including increased complexity resulting from our international expansion. Further, weaknesses in our disclosure controls or our internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting could also adversely affect the results of management reports and independent registered public accounting firm audits of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures, and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the market price of our common stock.

Our independent registered public accounting firm is not required to audit the effectiveness of our internal control over financial reporting until after we are no longer an “emerging growth company” as defined in the JOBS Act. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting could have a material and adverse effect on our business and operating results and cause a decline in the market price of our common stock.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES.

(a) Unregistered Sales of Equity Securities.

None.

(b) Use of Proceeds.

On August 16, 2022, we closed our initial public offering of 3,000,000 shares of our common stock at a public offering price of \$5.00 per share and an additional 450,000 shares of common stock upon exercise of the over-allotment option, generating gross proceeds of \$17,250,000 (the "IPO") pursuant to our Registration Statement on Form S-1 (as amended) (File No. 333-261884), which was declared effective by the SEC on August 11, 2022. After deducting underwriting discounts and commissions of approximately \$1.3 million, and other offering expenses payable by us of approximately \$1.3 million, we received approximately \$14.7 million in net proceeds from our initial public offering. ThinkEquity LLC acted as the representative of the several underwriters for the offering.

There has been no material change in the planned use of proceeds from our initial public offering as described in our final prospectus, dated August 11, 2022, which was filed with the SEC on August 15, 2022, pursuant to Rule 424(b) under the Securities Act. The primary use of the net proceeds from our initial public offering continues to be, as follows: (i) approximately \$8.0 million for the acquisition of property and the development of a manufacturing plant to build, design and manufacture our new line of electric boats; (ii) approximately \$2.0 million for ramp up of production and inventory; (iii) approximately \$2.6 million for working capital. Since its initial public offering, the Company has invested approximately \$6.0 million into production, R&D, inventory, working capital, facility planning, and the clearing and grading of land.

No payments were made by us to directors, officers or persons owning ten percent or more of our common stock or to their associates, or to our affiliates, other than payments in the ordinary course of business to officers for salaries. Pending the uses described, we have invested the net proceeds in our operating cash account.

(c) Issuer Purchase of Equity Securities.

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Not Applicable.

ITEM 4. MINE SAFETY DISCLOSURES.

Not Applicable.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

The exhibits filed as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index. The Exhibit Index is incorporated herein by reference.

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
3.1	<u>Amended and Restated Certificate of Incorporation (Incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-41469), filed with the Securities and Exchange Commission on August 16, 2022)</u>
3.2	<u>Amended and Restated Bylaws (Incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K (File No. 001-41469), filed with the Securities and Exchange Commission on August 16, 2022)</u>
31.1*	<u>Certification by principal executive officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification by principal financial officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1*	<u>Certification by principal executive officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2*	<u>Certification by principal financial officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

* Filed herewith.

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 thereunto duly authorized.

FORZA X1, INC.

Date: November 6, 2023

By: /s/ James Leffew
James Leffew
Chief Executive Officer
(Principal Executive Officer)

Date: November 6, 2023

By: /s/ Carrie Gunnerson
Carrie Gunnerson
Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, James Leffew, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Forza X1, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2023

By: /s/ James Leffew
Name: James Leffew
Title: Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Carrie Gunnerson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Forza X1, Inc.;
2. Based on my knowledge, his report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2023

By: /s/ Carrie Gunnerson
Name: Carrie Gunnerson
Title: Interim Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Forza X1, Inc. (the "Registrant") on Form 10-Q for the period ended September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James Leffew, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: November 6, 2023

By: /s/ James Leffew
Name: James Leffew
Title: Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Forza X1, Inc. (the "Registrant") on Form 10-Q for the period ended September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Carrie Gunnerson, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: November 6, 2023

By: /s/ Carrie Gunnerson

Name: Carrie Gunnerson

Title: Interim Chief Financial Officer

(Principal Financial and Accounting Officer)
