

ELPW

DILUTION MACHINE

dilution

low-float

premarket-movers

unit-offering

warrants

China-small-cap

lithium-ion

ELPW's Premarket Bounce Is the Offering Cycle Working in Reverse — Here's the Mechanism

August 4, 2026 — 8:34 AM EDT · Report #97 · Free Equity Reports Research

◆ DESK TAKE

Premarket bounce of ~60% on massive volume with no new news — this is the rebound leg after Monday's \$0.12 unit offering gapped the stock to \$0.08. Structure is heavy: the deal closing today roughly doubles shares outstanding and triples the float, with \$0.12 warrants capping upside supply, though crowded shorts against a tiny float give it squeeze fuel. Watch \$0.12 as pivotal support (deal price and warrant strike) and the low-\$0.20s premarket high as resistance into the open.

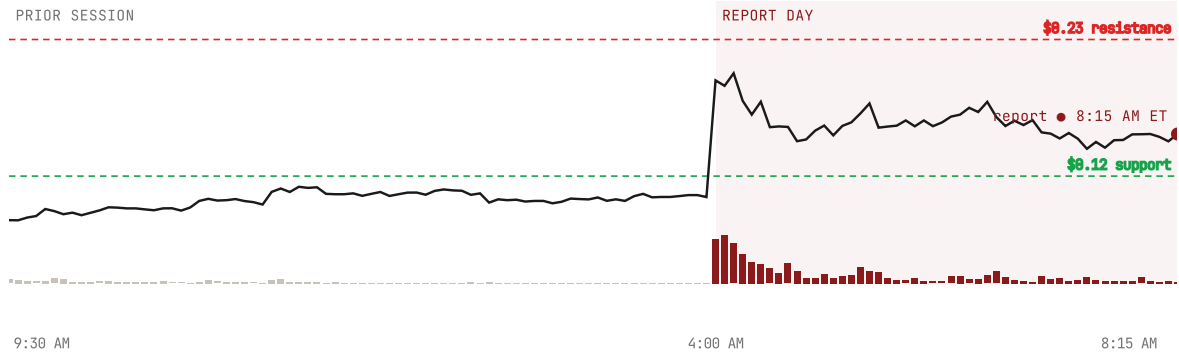
DATA BOX

Price	\$0.17
Change	+59.01%
Volume	196.26M
Float	5.31M
Mkt cap	\$2.44M

MECHANICS

ELPW has ~14.6M shares outstanding with a float around 5.3M; a \$1.38M offering of 11.47M units at \$0.12 (each with a \$0.12 three-year warrant) priced Aug 3 and is expected to close Aug 4, roughly doubling share count. It's the fourth unit deal of 2026 (\$3.16, \$1.30, \$0.40, \$0.12), following a 1-for-80 reverse split effective March 12, 2026. The company runs net losses with negative operating cash flow; a further F-1 covering additional units was filed July 22.

ELPW — PRIOR SESSION → REPORT TIME



DATA BOX — MACHINE-VERIFIED

Data Box — ELPW · as of 8:33 AM ET, 2026-08-04 · Pre-market session

METRIC	VALUE
Price	\$0.17
Previous close	\$0.10
Change	+59.01%
Volume (premarket)	196.26M
Float	5.31M
Shares outstanding	14.60M
Market cap	\$2.44M
52-week range	\$0.08 - \$5,696.00
Avg daily volume (20d)	23.80M
Relative volume	N/A (premarket)

All figures machine-sourced from market data APIs at publication time.

Elong Power (NASDAQ: ELPW) is ripping in Tuesday's premarket, up roughly 60% from Monday's close on a volume number that dwarfs anything this ticker has printed in weeks. As of this writing — 8:33 AM ET, August 4 — the

tape shows a premarket range stretching from just above Monday's lows to the low-\$0.20s, with the stock settling mid-range. No new headline dropped overnight. This is the back half of a dilution cycle playing out, and if you're in it, you should know exactly how the machine works.

What happened Monday

The trigger for the flush was straightforward: on Monday August 3, Elong priced a registered offering of 11,466,666 units at \$0.12 apiece — each unit one Class A share (or pre-funded warrant) plus a common warrant exercisable at \$0.12 — for about \$1.38 million gross. The stock had closed Friday July 31 at \$0.18 after a heavy-volume session; Monday it gapped down near \$0.08, roughly halved, and closed at \$0.10 on the biggest volume in months. Priced below the market, absorbed violently, standard sequence.

The overnight bounce is what happens next in these cycles: the deal price becomes a magnet, shorts who leaned on the offering cover into a sub-\$3M market cap with a float in the low single-digit millions, and momentum flow piles on. Short interest was already stretched — reported at roughly 1.4 million shares as of mid-July, up 143% from the prior period — which is a meaningful fraction of this float. That's kindling.

The machine, documented

This is Elong's fourth unit deal of 2026, each priced dramatically below the last: \$3.16 in February, \$1.30 in May, \$0.40 in July, now \$0.12. Layer on a 1-for-80 reverse split effective March 12, and you get that surreal 52-week high in the thousands of dollars — an artifact of consolidation math, not a price anyone paid recently. The company itself is a Ganzhou, China-based maker

of high-power lithium-ion batteries for EVs, construction machinery, and energy storage, running at a net loss with negative operating cash flow — which is why the offerings keep coming. A fresh F-1 filed July 22 covers additional units, so the pipeline behind this deal is already on file.

The supply math for today is the critical part. The new offering's shares total roughly double the current shares outstanding and about triple the tradable float. The deal is expected to close today, August 4. Every one of those 11.5M shares was bought at \$0.12, and every attached warrant mints another share at \$0.12 the moment the stock trades above it — which it does right now.

Trading the bounce

- \$0.12 is the level that matters most: deal price, warrant strike, and the line where fresh supply gets profitable. Above it, expect persistent selling from deal participants; a loss of it puts Monday's \$0.08 low back in play.
- The premarket high in the low-\$0.20s is the ceiling — it's also where Friday's sellers live. A clean reclaim on sustained volume opens the door to a second leg; rejection there on fading volume is the exhaustion tell.
- Watch a closing 6-K or press release confirming the offering closed — that's when the new shares are officially free to trade.

These bounces can extend further than logic suggests when the float is this thin and shorts are this crowded, but the structural direction of supply here is one-way. Size for a stock that regularly halts on volatility, and respect the \$0.12 line.

This is independent research, not investment advice — trade your own plan.

MECHANICS BOX — THE STRUCTURAL READ

- Shares outstanding: 14.60M · Float: 5.31M
- Dilution-relevant SEC filings (30d): F-1 (2026-07-22), 424B4 (2026-07-13), F-1/A (2026-07-07), F-1 (2026-07-07)
- Splits: 1-for-80 reverse (2026-03-12), 1-for-16 reverse (2025-12-26)
- ELPW has ~14.6M shares outstanding with a float around 5.3M; a \$1.38M offering of 11.47M units at \$0.12 (each with a \$0.12 three-year warrant) priced Aug 3 and is expected to close Aug 4, roughly doubling share count. It's the fourth unit deal of 2026 (\$3.16, \$1.30, \$0.40, \$0.12), following a 1-for-80 reverse split effective March 12, 2026. The company runs net losses with negative operating cash flow; a further F-1 covering additional units was filed July 22.

The Setup: This is a Dilution Machine play — read the pattern guide to learn how these setups typically unfold.

This report is for informational purposes only and does not constitute investment advice. Always conduct your own due diligence before making any investment decision.