



Quarterly Earnings Update | Q3 2024

November 14, 2024

Nasdaq: DFLI

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Additional Information & Where to Find It

Dragonfly Energy’s filings with the SEC are available to you, and you should read the documents Dragonfly Energy has filed with the SEC for more complete information about Dragonfly Energy. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov and on our website at <https://investors.dragonflyenergy.com/regulatory-filings/sec-filings/default.aspx>.

Q3 2024 Highlights & Results

Oil & Gas



- Successfully deployed the first off-grid methane reclamation power system with Alegacy Equipment and Agnes Systems.
- This initial deployment served as a demonstration to potential customers where it garnered strong positive feedback.

Heavy-Duty Trucking



- Pilot programs are beginning to successfully convert into a revenue-generating segment.
- Early revenue traction is accelerating as Q3 2024 marked the first meaningful trucking revenue.

Distribution



- Continued to expand the Company's distribution network through agreements with Meyer Distribution & Keystone Automotive.

Partnership With Stryten Energy



- Battle Born powered by Stryten Energy products were showcased at major industry events.
- Collaborating on new battery models for production in 2025 under contract manufacturing agreement.

Cell Manufacturing



- By leveraging government and private funding, the Company is looking to establish a Canadian subsidiary as part of its ongoing efforts to build a cell manufacturing facility in North America.
- Currently exploring multiple offers and opportunities within North America.



Q3 2024 Financial Results Snapshot

Net Sales

\$12.7M

(20.13)% YoY

Gross Profit

\$2.9M

(36.96)% YoY

Operating Exp.

\$(8.9)M

(15.24)% YoY

Adj. EBITDA

\$(5.5)M

19.57% YoY

OEM Revenue

\$7.4M

32.14% YoY

DTC Revenue

\$5.2M

(49.51)% YoY



We remain committed to advancing lithium-ion battery innovation despite challenging economic conditions. Our strategic expansion into the heavy-duty trucking and oil & gas industries, paired with advancements like our Dragonfly IntelliGence technology, showcase our resilience and vision. We believe these efforts are building a strong foundation for long-term growth, enabling us to diversify and strengthen partnerships while positioning us for future success.

Dr. Denis Phares
CEO, Dragonfly Energy



Product Development: Dragonfly IntelliGence®

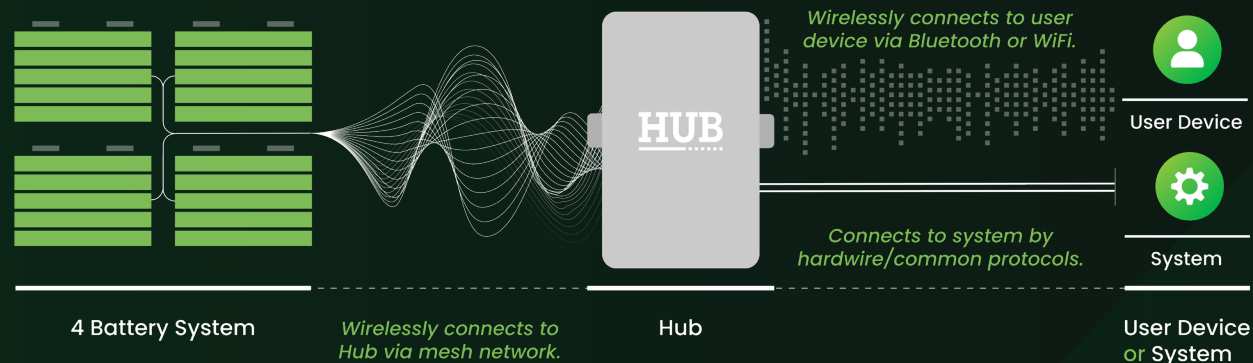
Patent Pending Technology

To be released DTC in Q4 2024.

A significant driver of the Q3 OEM revenue increase was the implementation of Battle Born Smart Batteries by a Major RV OEM.

Dragonfly IntelliGence technology, implemented into Battle Born products, is anticipated to gain further market traction as additional OEMs evaluate and adopt its potential to elevate customer satisfaction.

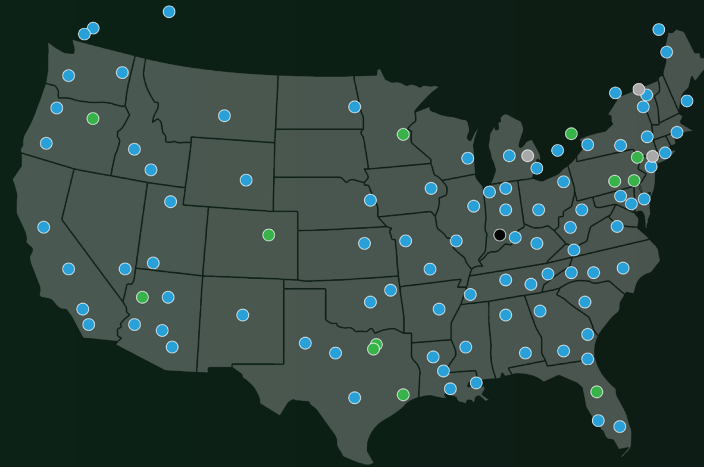
Inside The Technology



Battle Born®
Mobile App

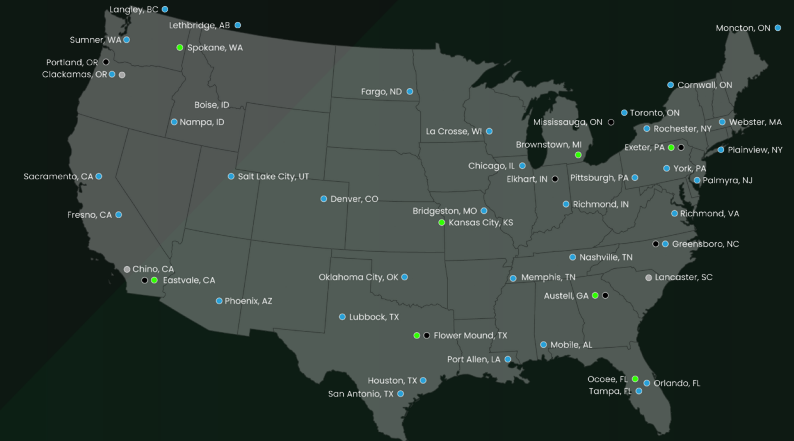


Battle Born Continues To Expand Its Product Reach via Strategic Distribution Agreements



○ Corporate Headquarters ● Distribution Center ● Cross Dock ● Office

- 100+ Locations
- Thousands of Customers
- 3x SEMA (Specialty Equipment Market Association) Warehouse Distributor of the Year



○ Call Center ● Distribution Center ● Cross Dock ● Manufacturing Plants

- 8 Distribution Centers and 37 non-inventory stocking cross-docks in the United States and Canada
- 18,000+ customers
- 50+ Year History

Other Channels

- Battle Born products are available for retail customers on Amazon.com with Prime Badges
- Stryten Energy to Distribute Battle Born products to business-to-business customers in new markets

Stryten Energy x Dragonfly Energy Partnership

Battle Born Powered by Stryten Energy products were prominently showcased at major industry events (SEMA and AAPEX), attracting significant attention from potential customers.



Battle Born powered by Stryten Energy products at AAPEX.



Battle Born branding in main hall of AAPEX event in Las Vegas.



Celebrity Rick Harrison sharing first-hand experiences of Battle Born Batteries during SEMA Meet & Greet in Stryten Energy booth.

Currently collaborating with Stryten to develop multiple new battery models.

These models are scheduled for production under the Company's contract manufacturing agreement in 2025.

A Step Towards **Vertical Integration** with Domestic Lithium Supply



Press Release

Major lithium mined approved in Nevada in latest effort to support a domestic supply of critical minerals

by Bureau of Land Management
October 24, 2024

loneer Ltd. recently received federal approval of its Rhyolite Ridge lithium mine project, signifying an important step in the Company's work towards vertical integration of its products. In May 2023, Dragonfly Energy signed a Lithium Supply Agreement with loneer to secure materials from this mine. The Company believes this approval helps to solidify Dragonfly Energy's domestic supply of lithium, a critical component for its long-term manufacturing goals.

Lithium Offtake Agreement
Rhyolite Ridge, Nevada



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