



Dragonfly Energy Announces Second Quarter 2025 Select Preliminary Results Above Guidance

July 29, 2025

Strong Preliminary Second Quarter Net Sales Growth of 23% Year over Year

RENO, Nev., July 29, 2025 (GLOBE NEWSWIRE) -- Dragonfly Energy Holdings Corp. ("Dragonfly Energy" or the "Company") (Nasdaq: DFLI), an industry leader in energy storage and battery technology, today announced preliminary second quarter 2025 Net Sales and Adjusted EBITDA.

The Company anticipates second quarter 2025 Net Sales of \$16.2 million and Adjusted EBITDA of \$(2.2) million, above guidance of \$14.8 million and \$(3.5) million, respectively. Anticipated results represent 23% year-over-year growth in Net Sales and an approximately \$4 million reduction in Adjusted EBITDA loss.

"We are pleased to report strong preliminary second quarter Net Sales and Adjusted EBITDA that exceeded our guidance, delivering another consecutive quarter of year-over-year net sales growth while continuing to reduce our Adjusted EBITDA loss," commented Dr. Denis Phares, Chief Executive Officer. "We were also pleased to announce the recent exchange of shares of common stock for all remaining shares of preferred stock, providing us with enhanced operational flexibility and strengthening our foundation for potential sustained net sales growth and profitability."

Adjusted EBITDA is a non-GAAP measure and should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with United States generally accepted accounting principles ("GAAP"). Please refer to the reconciliation of Adjusted EBITDA to its nearest GAAP measure in this release.

The second quarter 2025 Net Sales and Adjusted EBITDA are preliminary and are subject to finalization and adjustment in connection with the preparation of the Company's Quarterly Report on Form 10-Q for the three months ended June 30, 2025. The preliminary financial results included in this press release have been prepared by, and are the responsibility of, our management. During the course of the preparation of our financial statements and related notes as of and for the three months ended June 30, 2025, we may identify items that would require us to make material adjustments to the preliminary financial results presented herein. As a result, investors should exercise caution in relying on this information and should not draw any inferences from this information. This preliminary financial information should not be viewed as a substitute for full financial statements prepared in accordance with GAAP and reviewed by our independent registered public accounting firm.

Second Quarter 2025 Webcast Information

The Dragonfly Energy management team will host a conference call to discuss its second quarter 2025 financial and operational results on Thursday, August 14th at 4:30 PM Eastern Time. The call can be accessed live via webcast by clicking [here](#), or through the Events and Presentations page within the Investor Relations section of Dragonfly Energy's website at <https://investors.dragonflyenergy.com/events-and-presentations/default.aspx>. The call can also be accessed live via telephone by dialing (646) 564-2877, toll-free in North America (800) 549-8228, or for international callers +1 (289) 819-1520, and referencing conference ID: 61727. Please log in to the webcast or dial in to the call at least 10 minutes prior to the start of the event.

An archive of the webcast will be available for a period of time shortly after the call on the Events and Presentations page on the Investor Relations section of Dragonfly Energy's website, along with the earnings press release.

About Dragonfly Energy

Dragonfly Energy Holdings Corp. (Nasdaq: DFLI) is a comprehensive lithium battery technology company, specializing in cell manufacturing, battery pack assembly, and full system integration. Through its renowned Battle Born Batteries® brand, Dragonfly Energy has established itself as a frontrunner in the lithium battery industry, with hundreds of thousands of reliable battery packs deployed in the field through top-tier OEMs and a diverse retail customer base. At the forefront of domestic lithium battery cell production, Dragonfly Energy's patented dry electrode manufacturing process can deliver chemistry-agnostic power solutions for a broad spectrum of applications, including energy storage systems, electric vehicles, and consumer electronics. The Company's overarching mission is the future deployment of its proprietary, nonflammable, all-solid-state battery cells.

To learn more about Dragonfly Energy and its commitment to clean energy advancements, visit investors.dragonflyenergy.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical statements of fact and statements

regarding the Company's intent, belief or expectations, including, but not limited to, statements regarding the Company's guidance for second quarter 2025 preliminary Net Sales and Adjusted EBITDA, results of operations and financial position, planned products and services, business strategy and plans, market size and growth opportunities, competitive position and technological and market trends. Some of these forward-looking statements can be identified by the use of forward-looking words, including "may," "should," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," "plan," "targets," "projects," "could," "would," "continue," "forecast" or the negatives of these terms or variations of them or similar expressions.

These forward-looking statements are subject to risks, uncertainties, and other factors (some of which are beyond the Company's control) which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Factors that may impact such forward-looking statements include, but are not limited to: the closing of the offerings, the use of proceeds from the offerings, the ability to successfully achieve the thresholds for the additional funding from the offerings, the impact of the offering and the conversion and sale of the shares of common stock underlying the preferred stock on the Company's stock price, improved recovery in the Company's core markets, including the RV market; the Company's ability to successfully increase market penetration into target markets; the Company's ability to penetrate the heavy-duty trucking and other new markets; the growth of the addressable markets that the Company intends to target; the Company's ability to retain members of its senior management team and other key personnel; the Company's ability to maintain relationships with key suppliers including suppliers in China; the Company's ability to maintain relationships with key customers; the Company's ability to access capital as and when needed under its \$150 million ChEF Equity Facility; the Company's ability to protect its patents and other intellectual property; the Company's ability to successfully utilize its patented dry electrode battery manufacturing process and optimize solid state cells as well as to produce commercially viable solid state cells in a timely manner or at all, and to scale to mass production; the Company's ability to timely achieve the anticipated benefits of its licensing arrangement with Stryten Energy LLC; the Company's ability to achieve the anticipated benefits of its customer arrangements with THOR Industries and THOR Industries' affiliated brands (including Keystone RV Company); the Company's ability to maintain the listing of its common stock and public warrants on the Nasdaq Capital Market; the Russian/Ukrainian conflict; the Company's ability to generate revenue from future product sales and its ability to achieve and maintain profitability; and the Company's ability to compete with other manufacturers in the industry and its ability to engage target customers and successfully convert these customers into meaningful orders in the future. These and other risks and uncertainties are described more fully in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC and in the Company's subsequent filings with the SEC available at www.sec.gov.

If any of these risks materialize or any of the Company's assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that the Company presently does not know or that it currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. All forward-looking statements contained in this press release speak only as of the date they were made. Except to the extent required by law, the Company undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

Use of Non-GAAP Financial Measures

The Company provides non-GAAP financial measures including EBITDA and Adjusted EBITDA as a supplement to GAAP financial information to enhance the overall understanding of the Company's financial performance and to assist investors in evaluating the Company's results of operations, period over period. Adjusted non-GAAP measures exclude significant unusual items. Investors should consider these non-GAAP measures as a supplement to, and not a substitute for financial information prepared on a GAAP basis.

Adjusted EBITDA

Adjusted EBITDA is considered a non-GAAP financial measure under the rules of the SEC because it excludes certain amounts included in net loss calculated in accordance with GAAP. Specifically, the Company calculates Adjusted EBITDA by EBITDA adjusted to exclude stock-based compensation expense and changes in fair market value of warrant liabilities.

The Company has included Adjusted EBITDA because it is a key measure used by Dragonfly's management team to evaluate its operating performance, generate future operating plans, and make strategic decisions, including those relating to operating expenses. As such, the Company believes Adjusted EBITDA is helpful in highlighting trends in the ongoing core operating results of the business.

Adjusted EBITDA has limitations as an analytical tool, and it should not be considered in isolation or as a substitute for analysis of net loss or other results as reported under GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect the Company's cash expenditures, future requirements for capital expenditures, or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, the Company's working capital needs;
- Adjusted EBITDA does not reflect the Company's tax expense or the cash requirements to pay taxes;

- although amortization and depreciation are non-cash charges, the assets being amortized and depreciated will often have to be replaced in the future and Adjusted EBITDA does not reflect any cash requirements for such replacements;
- Adjusted EBITDA should not be construed as an inference that the Company's future results will be unaffected by unusual or non-recurring items for which the Company may adjust in historical periods; and
- other companies in the industry may calculate Adjusted EBITDA differently than the Company does, limiting its usefulness as a comparative measure.

Reconciliations of Non-GAAP Financial Measures

EBITDA and Adjusted EBITDA

The following table presents reconciliations of EBITDA and Adjusted EBITDA to the most directly comparable GAAP financial measure for each of the periods indicated.

Dragonfly Energy Holdings Corp.
Reconciliation of GAAP to Non-GAAP Measures (Unaudited)
(U.S. Dollars in Thousands)

		Three Months Ended	
		June 30, 2025	June 30, 2024
EBITDA Calculation			
Net (Loss)	Income Before Taxes	\$ (7,034)	\$ (13,627)
	Interest Expense	5,442	4,878
	Depreciation and Amortization	491	331
EBITDA		\$ (1,102)	\$ (8,418)
Adjustments to EBITDA			
	Stock Based Compensation	190	237
	Preferred Stock Financing expenses	42	-
	Prior Period Tariff estimate change	287	-
	Litigation Fees and Loss on Settlement	30	-
	Change in fair market value of warrant liability	(1,689)	1,981
Adjusted EBITDA		\$ (2,241)	\$ (6,200)

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Source: Dragonfly Energy Holdings Corp.