



Dragonfly Energy Announces 1-For-9 Reverse Stock Split

November 19, 2024

RENO, Nev., Nov. 19, 2024 (GLOBE NEWSWIRE) -- Dragonfly Energy Holdings Corp. ("Dragonfly Energy" or the "Company") (Nasdaq: DFLI), maker of Battle Born Batteries® and an industry leader in energy storage, today, announced today that it will effect a 1-for-9 reverse stock split of its outstanding common stock. This will be effective for trading purposes as of the commencement of trading on Friday, November 22, 2024. Dragonfly Energy's common stock will continue to trade on The Nasdaq Capital Market under the symbol "DFLI" and under a new CUSIP number, 26145B 304.

As a result of the reverse stock split, every nine pre-split shares of common stock outstanding will become one share of common stock. The par value of Dragonfly Energy's common stock will remain unchanged at \$0.0001 per share after the reverse stock split. The reverse stock split will not change the authorized number of shares of Dragonfly Energy's common stock. The reverse stock split will affect all stockholders uniformly and will not alter any stockholder's percentage interest in Dragonfly Energy's equity, except to the extent that the reverse stock split results in some stockholders owning a fractional share. No fractional shares will be issued in connection with the reverse stock split. Instead, in lieu of any fractional shares to which a stockholder of record would otherwise be entitled as a result of the reverse stock split, the Company will issue to such stockholder such additional fraction of a share as is necessary to increase such resulting fractional share to a full share of common stock. The reverse stock split will also apply to common stock issuable upon the exercise of the Company's outstanding warrants and stock options, with a proportionate adjustment to the exercise prices thereof, and under Dragonfly Energy's equity incentive plans.

The reverse stock split will reduce the number of shares of common stock issued and outstanding from approximately 63.2 million to approximately 7.0 million.

The Company's stockholders approved the reverse stock split by a majority of the votes cast at the Company's Annual Meeting of Stockholders held on November 12, 2024, to be effected in the discretion of the Company's board of directors (the "Board") at a ratio of not less than 1-for-5 and not more than 1-for-20 (the "Reverse Stock Split Proposal"). The Board approved the reverse stock split at a ratio of 1-for-9 on November 11, 2024, subject to stockholder approval of the Reverse Stock Split Proposal.

Equinity Trust Company, LLC is acting as the exchange agent and transfer agent for the reverse stock split. Stockholders holding their shares in book-entry form or in brokerage accounts need not take any action in connection with the reverse stock split. Beneficial holders are encouraged to contact their bank, broker or custodian with any procedural questions.

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 www.dragonflyenergy.com/investors.

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 reverse stock split, the Company's 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: 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, 2023 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.

Investor Relations:

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Source: Dragonfly Energy Holdings Corp.