



Dragonfly Energy Enters the Heavy-Duty Trucking Market with New All-Electric APU to Reduce Fuel Costs and Emissions

October 11, 2023

- *The new Battle Born All-Electric APU offers a comprehensive solution to the trucking industry by enabling compliance with increasing anti-idling regulations while potentially saving billions of dollars in fuel costs, increasing uptime and payload, and reducing harmful emissions during idle periods*
- *Dragonfly Energy has secured pilot programs with fleets representing roughly 15 percent of the North American heavy-duty trucking market*

RENO, Nev., Oct. 11, 2023 (GLOBE NEWSWIRE) -- Dragonfly Energy Holdings Corp. (Nasdaq: DFLI) ("Dragonfly Energy" or the "Company"), maker of Battle Born Batteries™, now brings its leading energy storage solutions to the heavy-duty trucking industry with the introduction of the new Battle Born All-Electric APU (auxiliary power unit). Dragonfly Energy's advanced lithium-ion battery system provides ample wattage to run auxiliary power on trucks, even when such trucks are not running. This transition to lithium-based APU systems presents a significant opportunity for the trucking industry to potentially save billions of dollars on fuel costs and reduce harmful emissions during idle periods.

"As the trucking industry faces stricter regulations, we believe an all-electric APU is a crucial first step in reducing fuel consumption and emissions," said Wade Seaburg, Chief Revenue Officer of Dragonfly Energy. "We are entering this growing market and have secured pilot programs with fleets representing roughly 15 percent of the North American heavy-duty trucking market. We believe this is a significant opportunity for Dragonfly Energy to diversify and grow its revenue while providing a compelling return on investment to fleet operators."



Heavy-duty trucking is a large and growing market, and Dragonfly Energy believes it is well-positioned to capitalize on this growth. The Company is leveraging its experience, having deployed hundreds of thousands of systems in adjacent markets, to produce APU systems that are ideal for heavy-duty trucks. The Battle Born All-Electric APU is a more reliable, efficient, and environmentally friendly way to power the hotel loads on sleeper trucks used in long haul trucking as compared to traditional lead-acid batteries. Sleeper trucks are an essential part of the trucking industry, and they play a vital role in the transportation of goods across the country.

“Over the years, there have been many attempts to eliminate unnecessary engine idling by harnessing electric APUs. Recently, lithium-ion batteries are proving to dramatically improve upon the mixed results generated by previous attempts,” said John Larkin, transportation industry veteran and analyst. “The ability to address these problems today, rather than waiting for BEVs (“Battery Electric Vehicles”), can lead to immediate major operational savings for fleet operators.”

Dragonfly Energy has pilot programs underway with some of the industry’s top transportation companies, whose combined fleets include over 65,000 total trucks. The expansion into the heavy-duty trucking market represents a significant opportunity for the Company to diversify and grow its business. The new Battle Born All-Electric APU is expected to help fleets improve their operating model by increasing uptime, driver retention, and progress toward sustainability goals as well as help reduce greenhouse gas emissions by improving fuel efficiency and reducing idle time, a major source of emissions in the transportation sector.

The Argonne National Laboratory estimates idling trucks could consume up to one billion gallons of fuel annually, costing upwards of \$5 billion in fuel loss. In addition, Argonne estimates that rest period idling results in the emission of approximately 11 million

tons of carbon dioxide, 55,000 tons of nitrogen oxide and 400 tons of particulate matter each year. The team at Dragonfly Energy designed the Battle Born All-Electric APU specifically for the heavy-duty truck market to address these energy and fuel consumption problems.

The Battle Born All-Electric APU allows truckers to operate HVAC, appliances, and other electronics while the truck is off, with zero harmful emissions and no loud engine idling. The unit also recharges while the truck is being driven. With one-fifth of the weight compared to traditional lead-acid batteries in the same physical space, the Battle Born All-Electric APU provides truckers with more capacity for their payload.

"We've seen positive feedback from our pilot programs, with more programs expected to be initiated soon," Steven Carlson, Original Equipment Manufacturer Product Manager at Dragonfly Energy, said. "Because this product provides a number of benefits to not only the driver directly, but to the trucking company as a whole, we believe this is a win-win."

To learn more about Dragonfly Energy, visit [DragonflyEnergy.com](https://www.dragonflyenergy.com).

About Dragonfly Energy

Dragonfly Energy Holdings Corp. (Nasdaq: DFLI) headquartered in Reno, Nevada, is a leading supplier of deep cycle lithium-ion batteries. Dragonfly Energy's research and development initiatives are revolutionizing the energy storage industry through innovative technologies and manufacturing processes. Today, Dragonfly Energy's non-toxic deep cycle lithium-ion batteries are displacing lead-acid batteries across a wide range of end-markets, including RVs, marine vessels, off-grid installations, and other storage applications. Dragonfly Energy is also focused on delivering an energy storage solution to enable a more sustainable and reliable smart grid through the future deployment of its proprietary and patented solid-state cell technology. To learn more, 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 products as related to the trucking industry, the Company's future 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. Such factors include those set forth 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, 2022 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.

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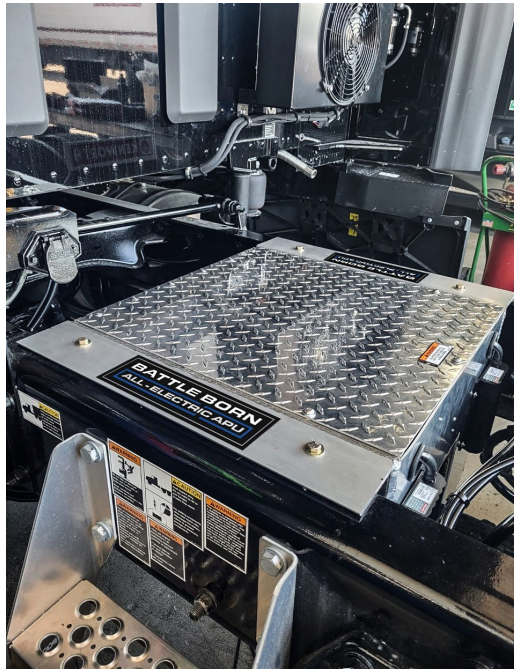
Source: Dragonfly Energy Holdings Corp.

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/4eaf7193-6ad9-46ac-a9d5-e3ce6e359945>



Source: Dragonfly Energy Holdings Corp.

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