



dragonfly[®]

ENERGY

Company Presentation

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Disclaimer (2/2)

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Additional Information and Where to Find It

Dragonfly's filings with the SEC are available to you, and you should read the documents Dragonfly has filed with the SEC for more complete information about Dragonfly. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov.



Introduction

Dragonfly Snapshot & Technology Summary

DFLI Investment Highlights

ESG Investment

Integrated lithium-ion technology company delivering environmentally impactful solutions today for energy storage

Large Addressable Market

Current and identified adjacent market represent a total addressable market opportunity of ~\$85BN⁽¹⁾ by 2025E

History of Strong Growth

Existing track record of consistent growth with revenue of \$86 million in 2022; a 3-yr. CAGR of 67%

Cell Manufacturing Innovation

Patented & proprietary powder-coating cell manufacturing processes enable cost effective and scalable domestic production across any chemistry

Solid State Upside

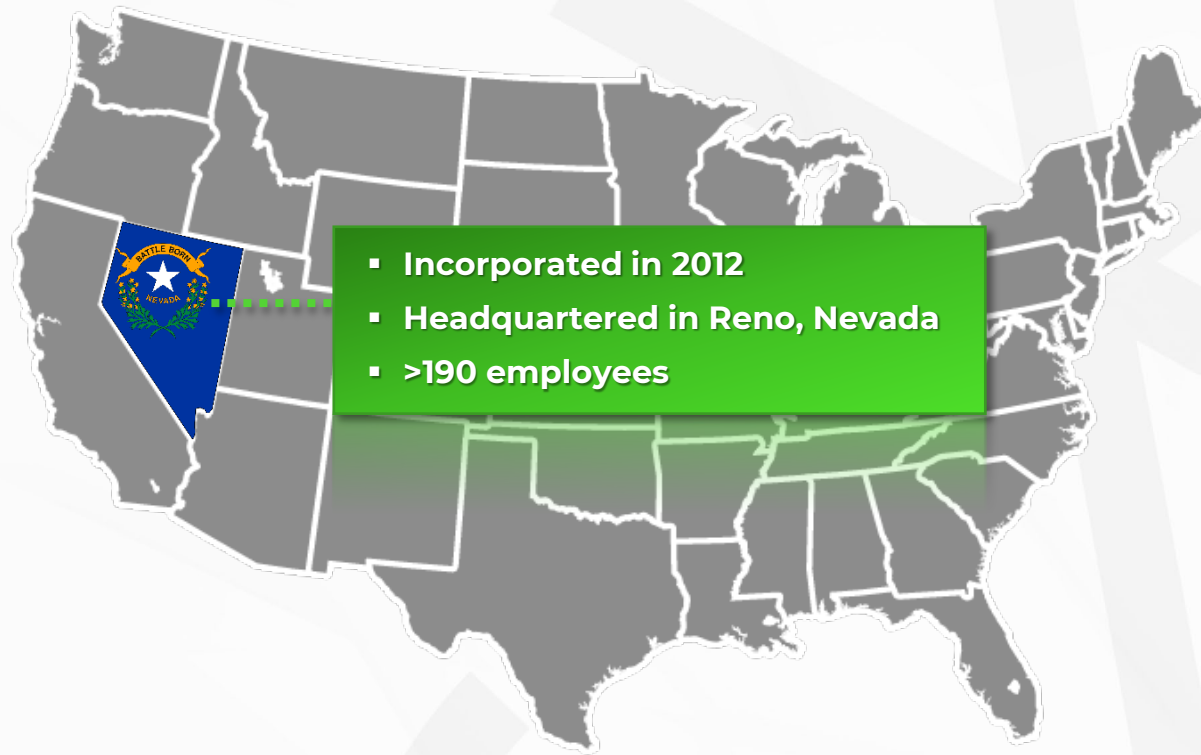
Disruptive non-flammable, solid-state technology will enable renewables to be cost competitive with fossil fuels

Secular and Regulatory Tailwinds

Dragonfly to qualify for both pack assembly and cell manufacturing credits under the Inflation Reduction Act (IRA), providing significant Net Income enhancements

(1) Frost & Sullivan, Growth Pipeline as a Service, March 2021, Annual, cumulative addressable markets by 2025E

Dragonfly's Industry Leading Business



\$86 Million

2022 Revenue

>250K

Batteries Sold ⁽¹⁾

>20x

DTC⁽²⁾ Customer Growth ⁽¹⁾

~300%

OEM⁽³⁾ Revenue Growth ⁽¹⁾

>55

Granted and Pending Patents ⁽¹⁾

>\$1 Billion

Manufacturing Sales Capacity ⁽⁴⁾

Source: Dragonfly Energy.

(1) As of Q1 2023

(2) DTC denotes Direct to Consumer

(3) OEM denotes Original Equipment Manufacturer

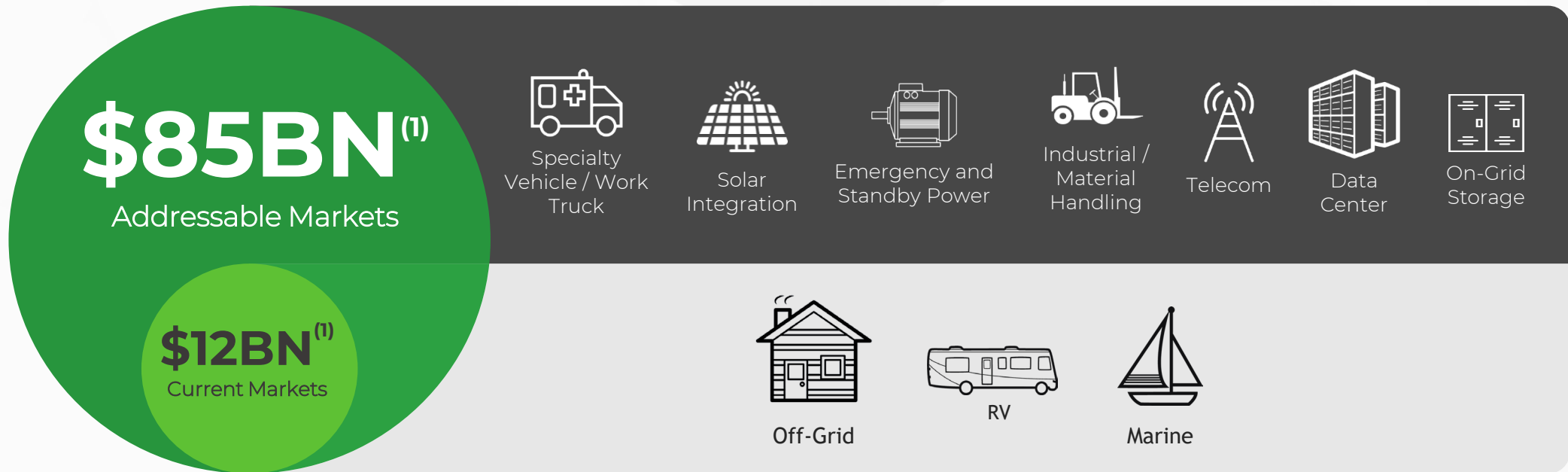
(4) Based on Company's estimated manufacturing capacity after planned expansion

DISTINGUISHED PRODUCT LINE OF LITHIUM-ION BATTERIES



Rapidly Entering into New Addressable Markets

Dragonfly's lithium-ion deep cycle batteries are ideally suited for applications where **stability, longevity, and safety** are a priority and for powering and charging **devices and appliances, low-density mobility, and on-grid energy storage.**



(1) Frost & Sullivan, Growth Pipeline as a Service, March 2021, Annual, cumulative addressable markets by 2025E

The Next Evolution of Power

Non-Flammable Solid State Battery Cells

WHY DOES THIS MATTER?

FOR THE ENVIRONMENT

DRIVES SHIFT AWAY FROM FOSSIL FUELS: Low levelized cost⁽¹⁾ competes with burning coal and natural gas

SAFETY: Non-flammable, which enables smart distributed energy storage

FOR DRAGONFLY

ENHANCED GROSS MARGINS: Reduces material costs by >50%⁽²⁾

VERTICAL INTEGRATION: Designed and manufactured in the United States

DRAGONFLY's envisioned smart storage solution will allow for a more **STABLE POWER GRID** and encourage the widespread incorporation of **RENEWABLE ENERGY SOURCES.**

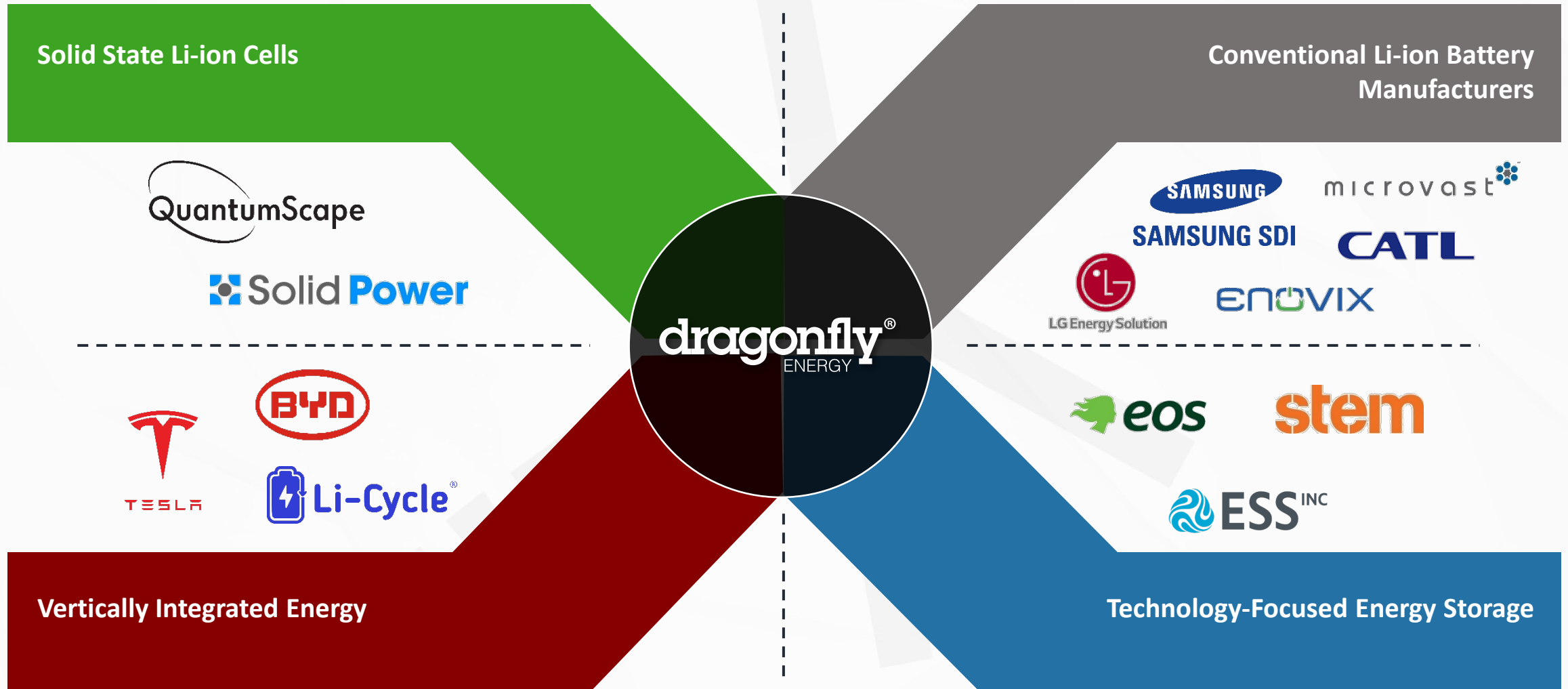


Source: Dragonfly Energy

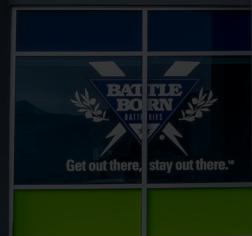
(1) Defined as lifetime costs divided by energy production

(2) As compared to traditional lithium-ion cells

Dragonfly is Positioned to Sit at the Nexus of Energy Technology



Company Overview



VISITOR ENTRANCE

THE LEADER IN LITHIUM

We are a leader in lithium-ion deep cycle batteries, making renewable energy **EFFECTIVE AND AFFORDABLE**.

STATE-OF-THE-ART PROPRIETARY TECHNOLOGIES DEVELOPED SPECIFICALLY FOR OUR BATTERIES.

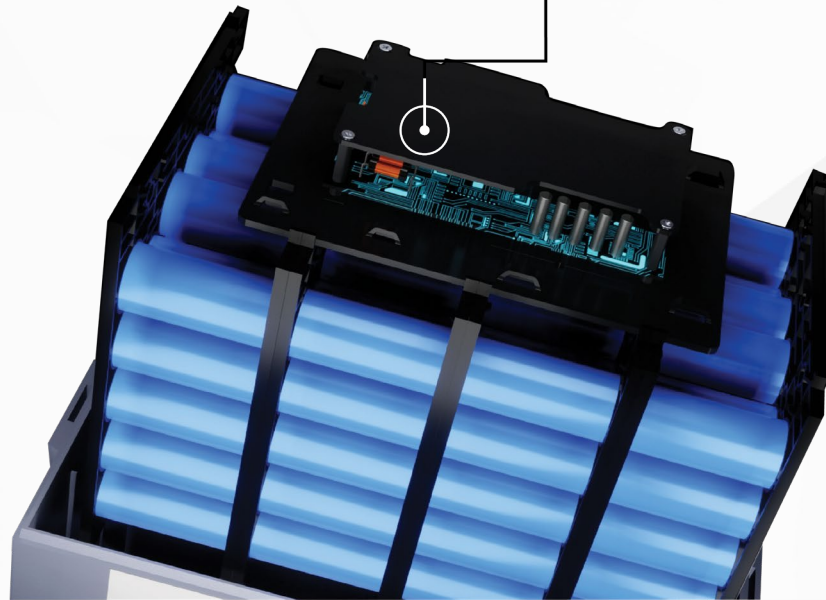


INTERNAL HEATER



BMS

BATTERY MANAGEMENT SYSTEM



LEADING THE WAY IN:



HIGHEST CUSTOMER RATED LiFePO4 BATTERY ⁽¹⁾



10 – 15 YEAR LIFESPAN ⁽²⁾



WIDESPREAD SYSTEM COMPATABILITY

12, 24, 36, 48 VOLT SYSTEMS | SERIES AND PARALLEL

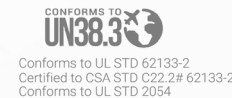


US BASED TECHNICAL SUPPORT



10 YEAR WARRANTY

PROVEN TO LAST



(1) Based on comparable 100Ah LiFePO4 products on Amazon.com, minimum 100 reviews. As of June 6, 2023

(2) Based on average battery usage and standard 3,000 – 5,000 cycles

The Dragonfly Competitive Advantage



Storage System Research & Design

Fundamental research supports product development, innovation and manufacturing



Full Storage Solutions Provider

Manufacturer of batteries and accessories to provide full storage solution



Industry-leading Customer Support

OEM and consumer system design, implementation and troubleshooting



Domestic Supplier

Designed and manufactured in the United States



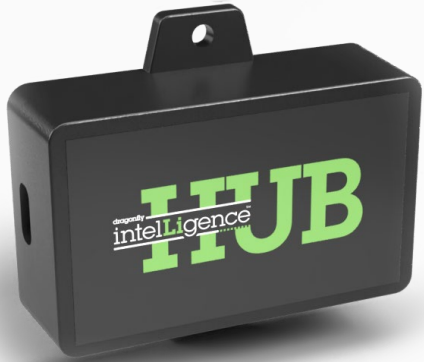
Unmatched Quality

Quality control down to the cell level enables industry leading 10-year warranty





New Capabilities with Dragonfly IntelliGence™ Accessories



dragonfly
intelliGence
HUB

dragonfly
intelliGence
FLEX

dragonfly
intelliGence
ION



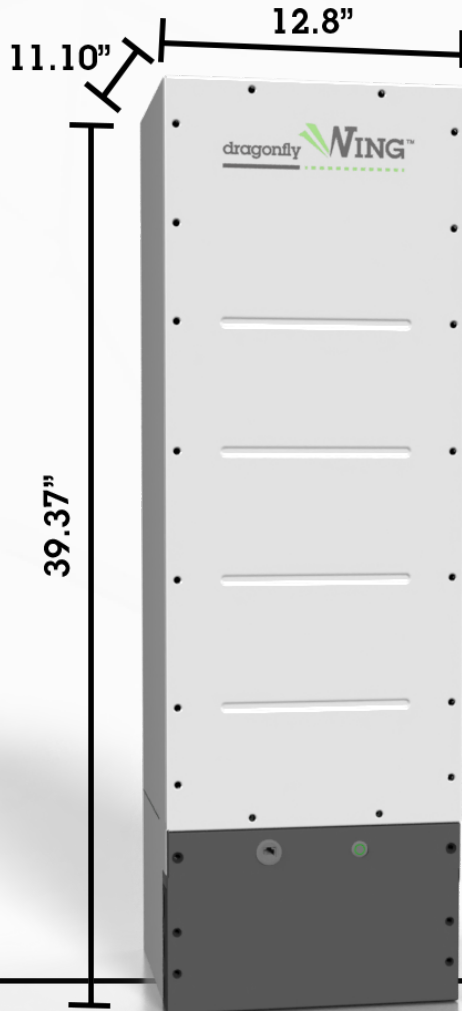
+ More Accessories in Development

Features:

- **Monitor all** the batteries in your system and view meaningful information about the entire battery bank, not just individual batteries
- Remotely monitor your full power system from anywhere in the world; **Receive critical notifications** for system alerts, errors, and warnings
- **Connect components** through popular protocols, including RV-C, NMEA2k, and others
- Utilize an extensive list of I/O connections to **integrate safety** relays and system alarms
- Add patented **Hybrid Balancing** and **Selectable Voltage** technologies to your power system
- Easy setup and installation of **Dragonfly IntelliGence™** accessories within the **Dragonfly Energy Mobile App**
- Experience **continued expandability** with a growing line of accessories in development

The Dragonfly Wing™

Residential, Industrial and Mobile Energy Storage... but Better!



The Dragonfly Wing™ is a powerful, safe and expandable storage solution designed for residential, industrial and mobile applications. The groundbreaking technology inside enables easy installation and reliable performance.

- 5 kWh of LiFePO4 (Battle Born Batteries w/ Dragonfly IntelLigence™)
- Selectable Voltage
- Hybrid Balancing Technology
- Flexible Charging Compatibility (12v / 48v)
- Built-In Soft Start Technology
- Easy Installation & Setup
- Wireless and Physical Connections (Controller Area Network (CAN bus) and more)
- The Dragonfly IntelLigence™ Flex for standalone functionality



Cell Manufacturing Technology & Development

R&D and the Future of Battery Cell Manufacturing

Cell Manufacturing for a Wide Range of Applications

Dragonfly's Patented Cell Manufacturing Process is Chemistry Agnostic

Lithium Iron Phosphate (LFP)

Displacing:

Lead acid batteries (all types)

Competing Clean Technologies:

None

Key Characteristics:

Long life, affordable price, safe, stable

Key Considerations:

Ideal for powering / charging devices and appliances and low speed vehicles

Nickel Manganese Cobalt (NMC)

Displacing:

Gasoline and diesel fuel

Competing Clean Technologies:

Hydrogen fuel cells, LNG, biofuel

Key Characteristics:

High energy density, fast charging

Key Considerations:

Expensive, raw material shortages, requires fast charging infrastructure



Source: Dragonfly Energy.

Patented & Scalable Cell Manufacturing Technology

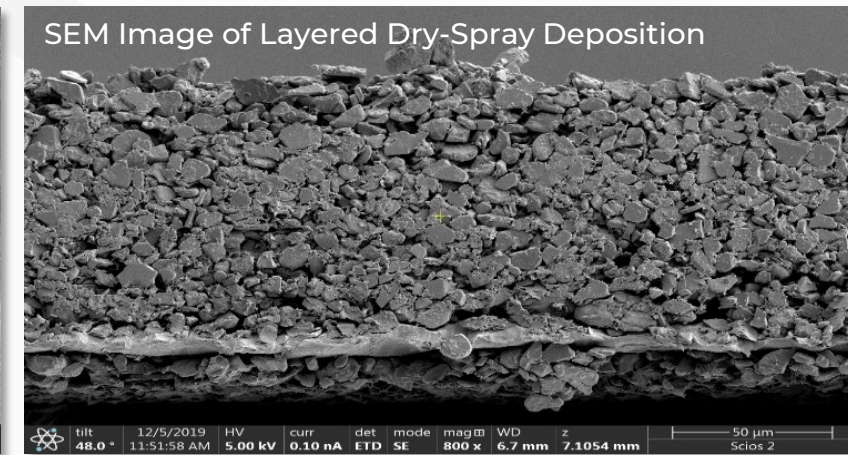
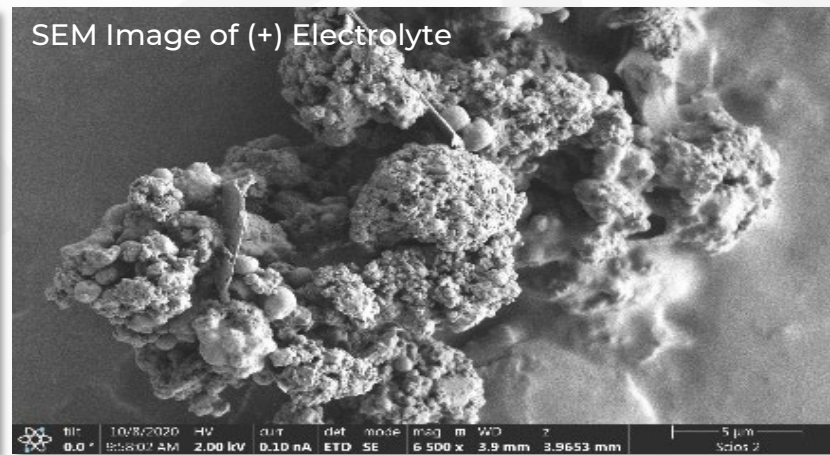
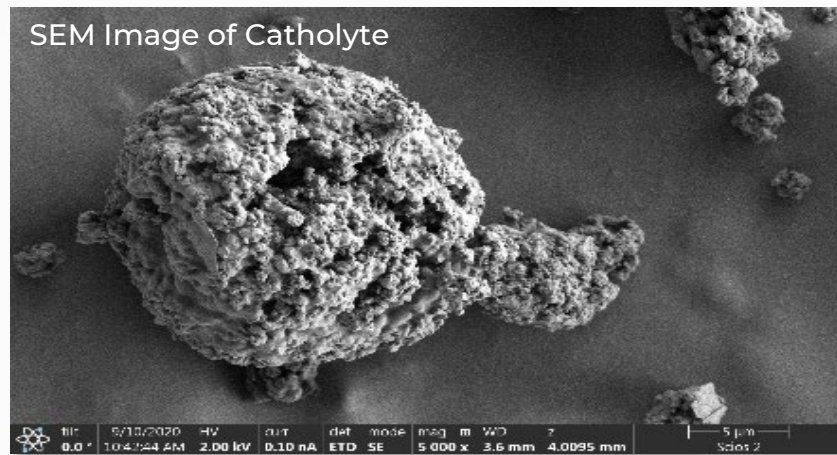
Dragonfly's patented battery cell technology is purpose-designed for cost-effective, highly scalable manufacturing

Technological Innovations

- ✓ Proprietary Encapsulation Process
- ✓ Proprietary Spray Powder Application
- ✓ Non-Flammable and Non-Toxic
- ✓ Homogenized Interfaces
- ✓ No Solid Separator
- ✓ No Liquids
- ✓ No Lithium Dendrites

Manufacturing Innovations

- ✓ Lower Capital Requirements
- ✓ Extremely Cost Effective
- ✓ Scalable, Highly Automated Processes
- ✓ Chemistry Agnostic



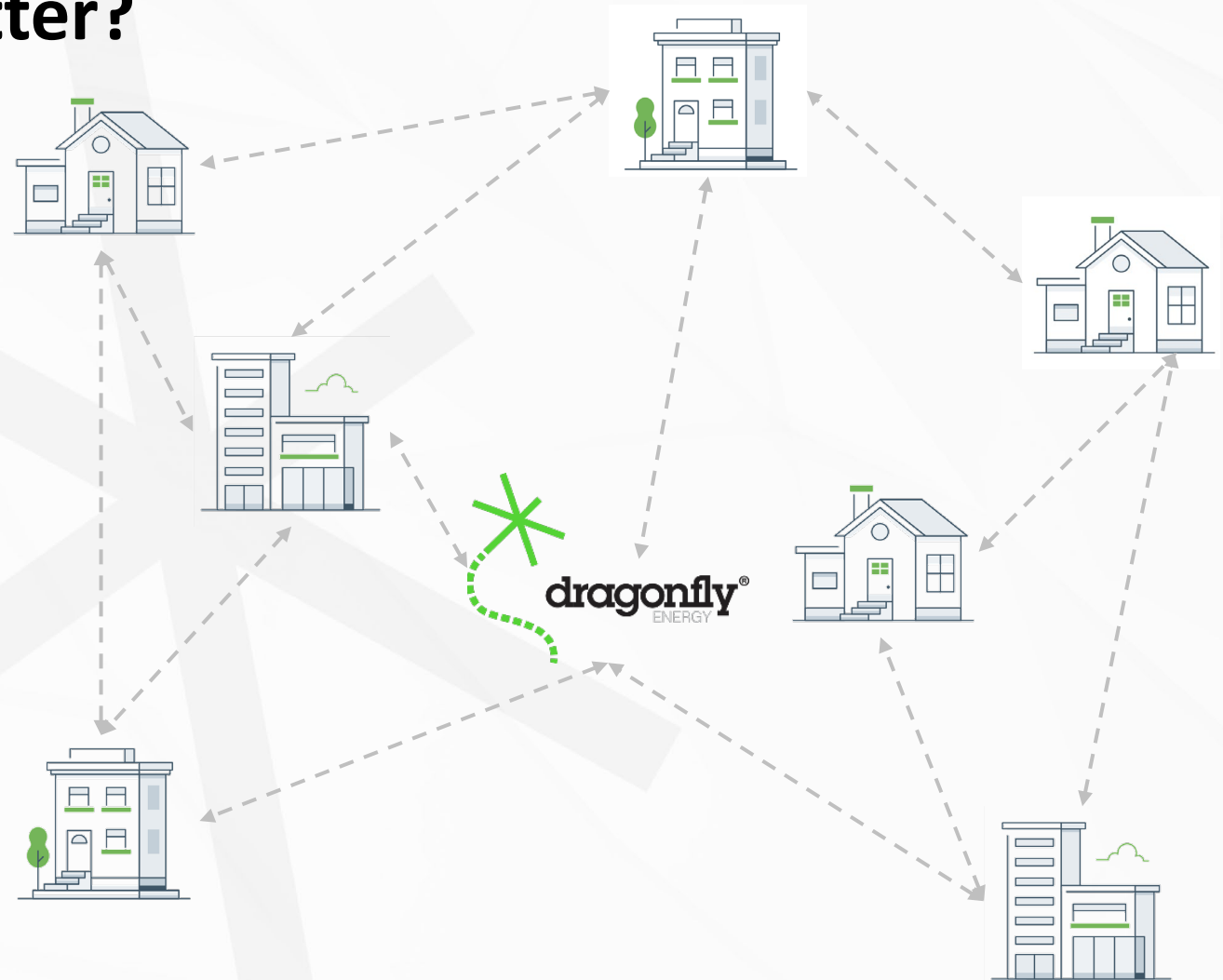
Solid State: Why Does it Matter?

For the Environment

- **Drives Shift Away from Fossil Fuels:** Low levelized cost⁽¹⁾ competes with burning coal and natural gas
- **Safety:** Non-flammable, which enables smart distributed energy storage

For Dragonfly

- **Enhanced Gross Margins:** Reduces material costs by >50%⁽²⁾
- **Vertical Integration:** Designed and manufactured in the U.S.



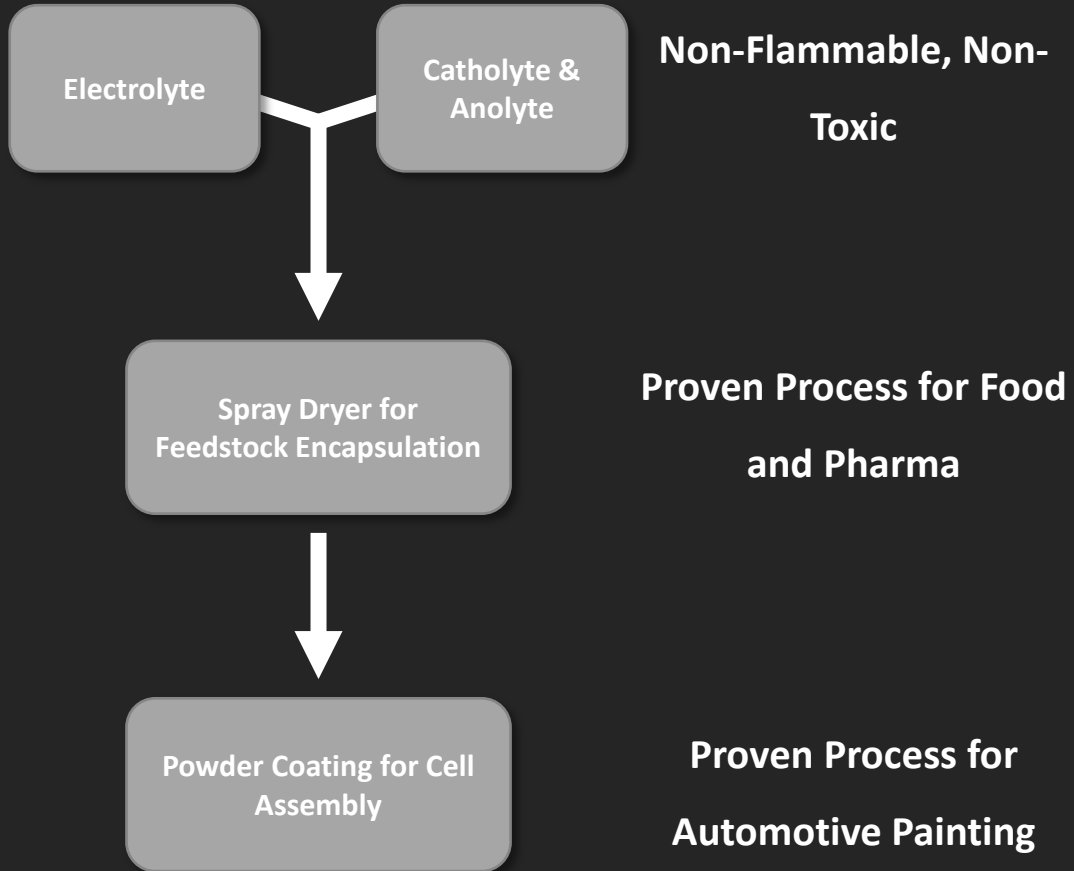
Dragonfly's envisioned smart storage solution will allow for a more stable power grid and encourage the widespread incorporation of renewable energy sources

Source: Dragonfly Energy.

(1) Defined as lifetime costs divided by energy production.

(2) As compared to traditional lithium-ion cells.

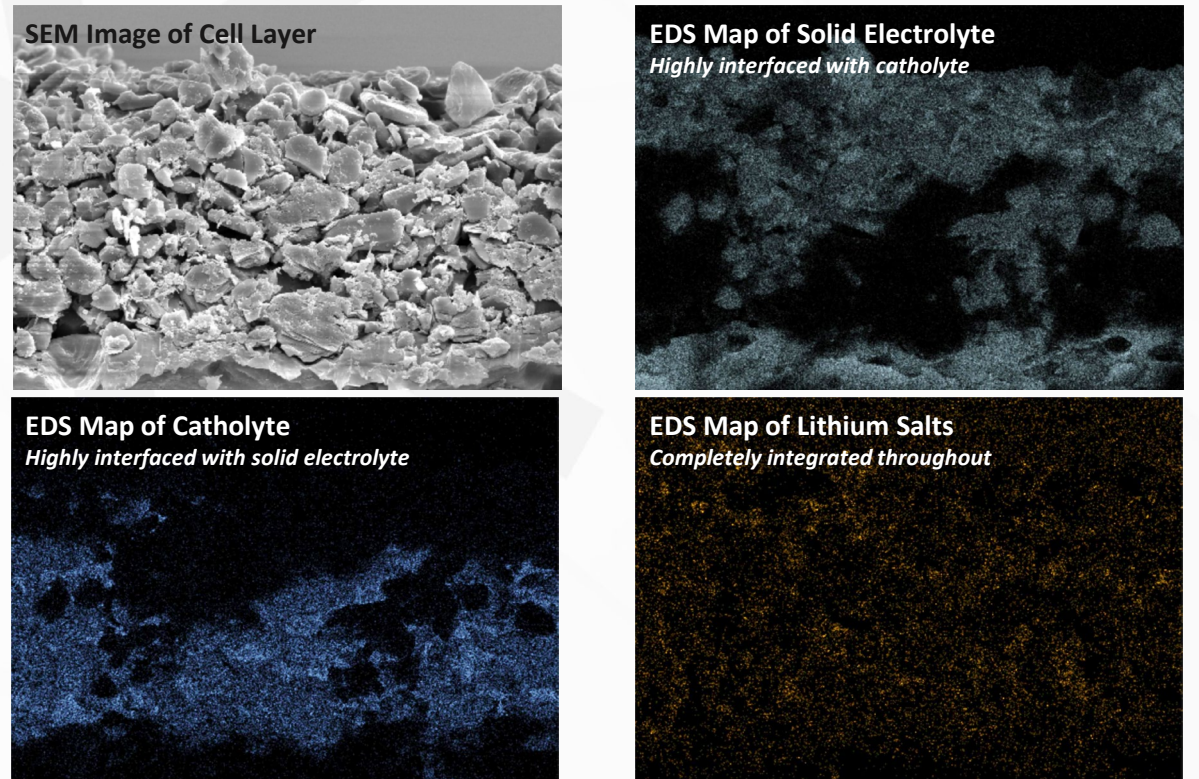
Validated Results from Proprietary Process



Exceptional Layer Interfacing

- Dragonfly's proprietary encapsulation and dry spraying processes result in cells that don't actually have "layers," but instead are fully integrated
- Utilizing scanning electron microscopy (SEM) and energy dispersive x-ray spectroscopy (EDS), individual components of the cell are visible

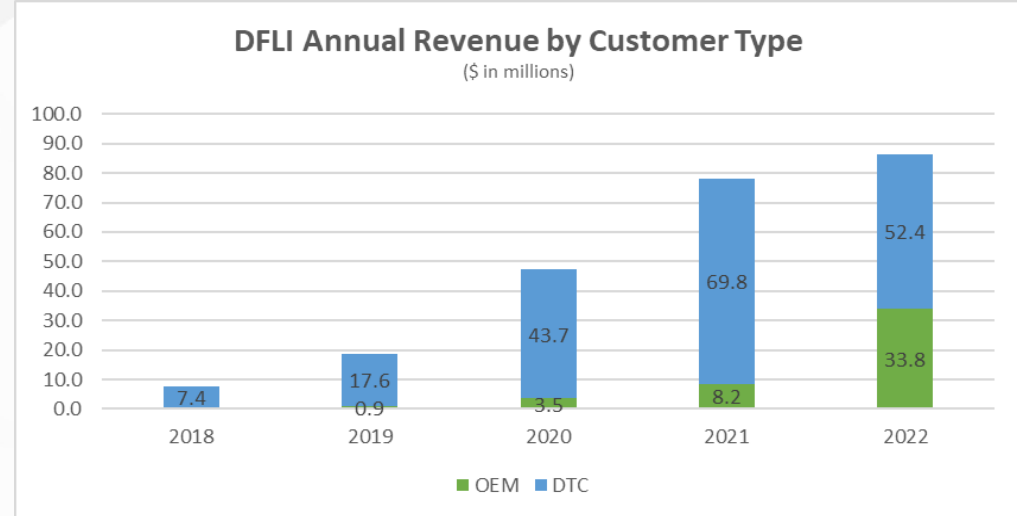
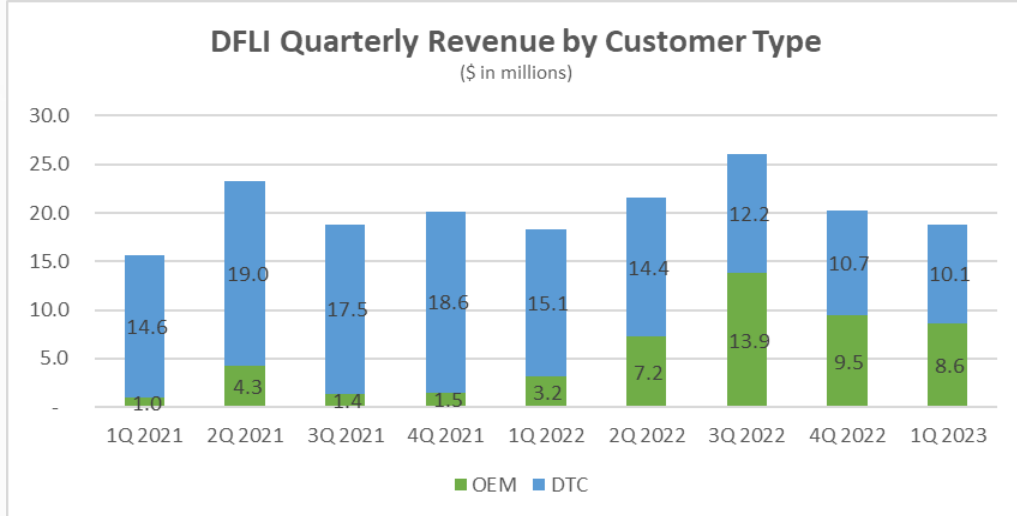
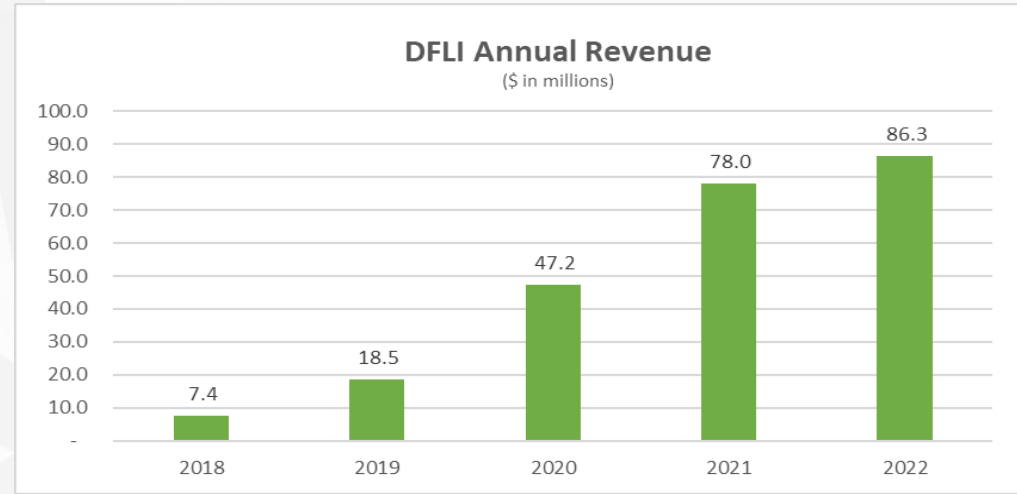
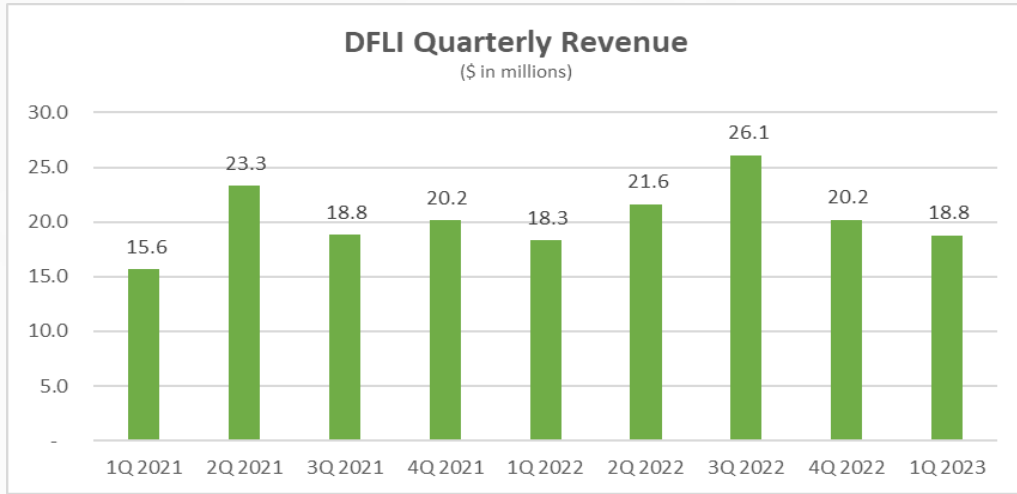
Images Show Cross-Section of Same Cell Layer



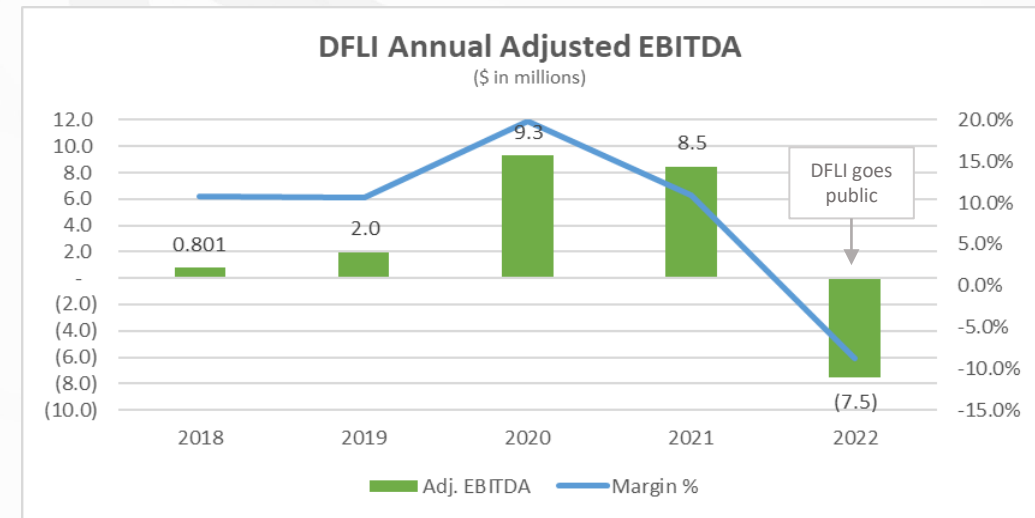
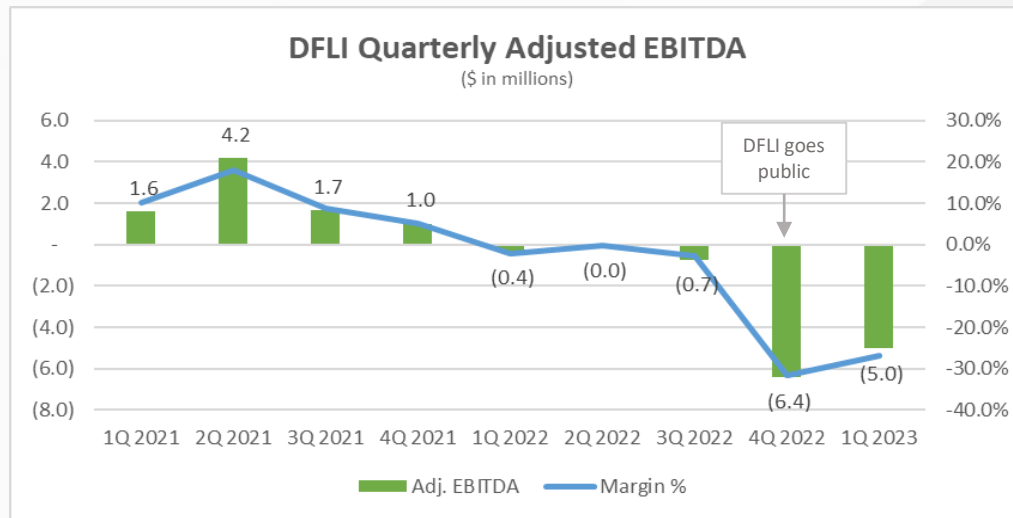
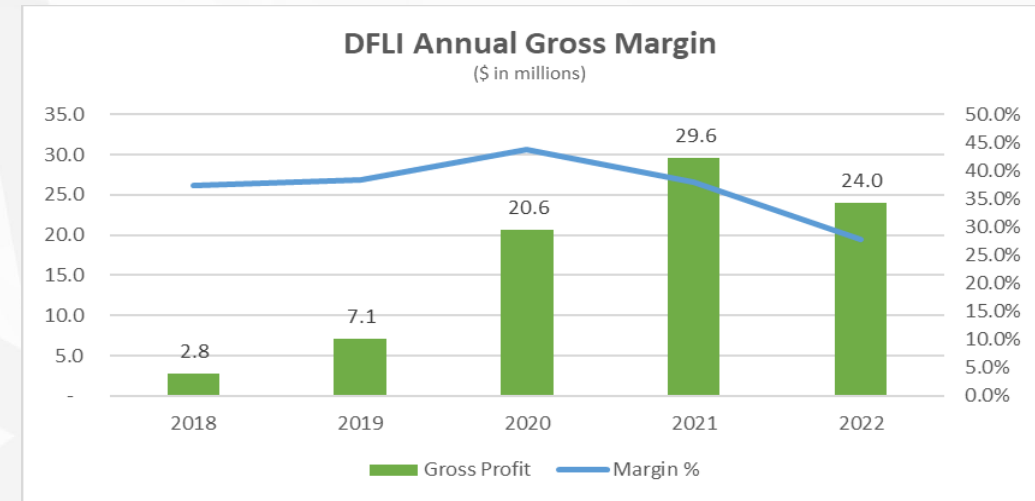
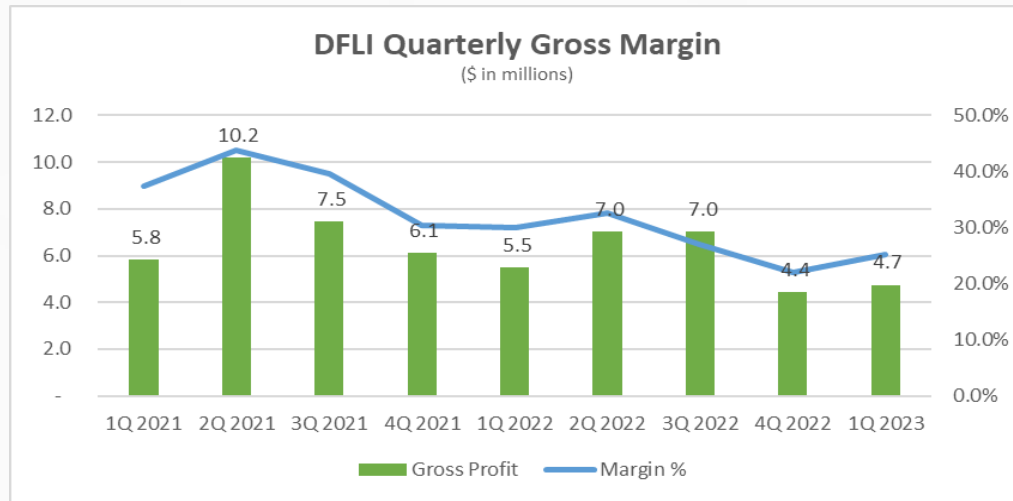


Financial Overview

Historical Revenue Performance



Historical Margin Performance



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