

INVESTOR PRESENTATION

MARCH 2024



SAFE HARBOR STATEMENT



This document contains certain “forward-looking statements”. All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws, including, but not limited to, any projections of earnings, revenue or other financial items; any statements of the plans, strategies, goals and objectives of management for future operations; any statements concerning proposed new products and services or developments thereof; any statements regarding future economic conditions or performance; any statements or belief; and any statements of assumptions underlying any of the foregoing.

Forward looking statements may include the words “may,” “could,” “estimate,” “intend,” “continue,” “believe,” “expect” or “anticipate” or other similar words, or the negative thereof. These forward-looking statements present our estimates and assumptions only as of the date of this report. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the dates on which they are made. We do not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the dates they are made. You are urged to carefully review and consider any cautionary statements and other disclosures, including the statements made under the heading “Risk Factors” and elsewhere in our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K.

In our filings with the Securities and Exchange Commission, references to “AMMO, Inc.”, “AMMO”, “the Company”, “we,” “us,” “our” and similar terms refer to AMMO, Inc. and its wholly owned operating subsidiaries.

NON-GAAP FINANCIAL MEASURES

Non-GAAP financial measures such as Adjusted EBITDA and Adjusted EBITDA Margin as included in this presentation are supplemental measures that are not calculated in accordance with Generally Accepted Accounting Principles (“GAAP”). Please see the Supplemental Materials to this presentation for reconciliations of these non-GAAP financial measures to their comparable GAAP financial measures.

We believe that the presentation of Adjusted EBITDA and Adjusted EBITDA Margin helps investors analyze underlying trends in our business, evaluate the performance of our business both on an absolute basis and relative to our peers and the broader market, provides useful information to both management and investors by excluding certain items that may not be indicative of the core operating results and operational strength of our business and helps investors evaluate our ability to service our debt and our profitability relative to our sales.

These non-GAAP financial measures have limitations as analytical and comparative tools, and you should consider Adjusted EBITDA and Adjusted EBITDA Margin in addition to, and not as substitutes for, operating income or any other measure of financial performance reported in accordance with GAAP.

GUN
BROKER.COM

ammo
INCORPORATED

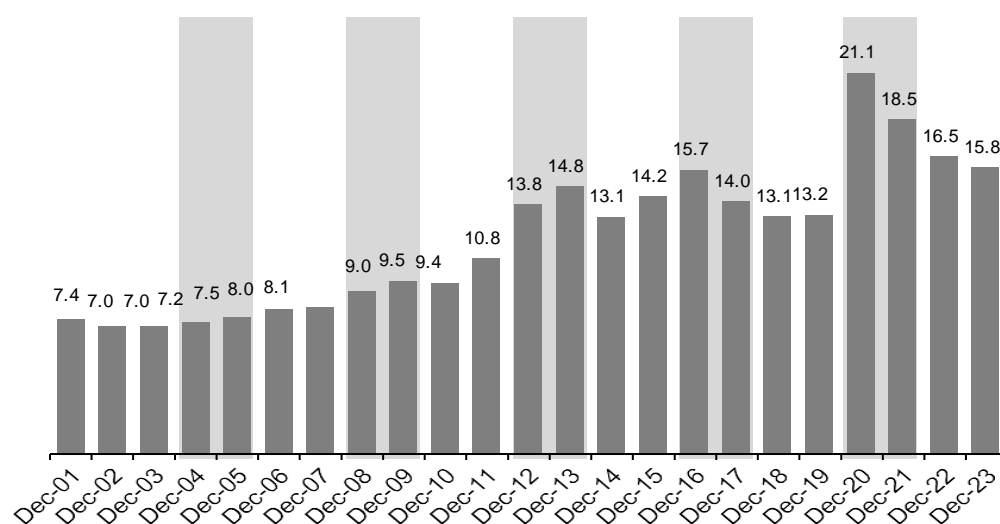
INVESTMENT OVERVIEW

MARKET HIGHLIGHTS

IDEALLY SITUATED WITH AN OPTIMIZED SUPPLY CHAIN IN A RECOVERING MARKET PRIMED FOR GROWTH AS GEOPOLITICAL TENSIONS AND POLITICAL UNCERTAINTIES FUEL GROWTH FOR BOTH MILITARY AND COMMERCIAL CONSUMPTION

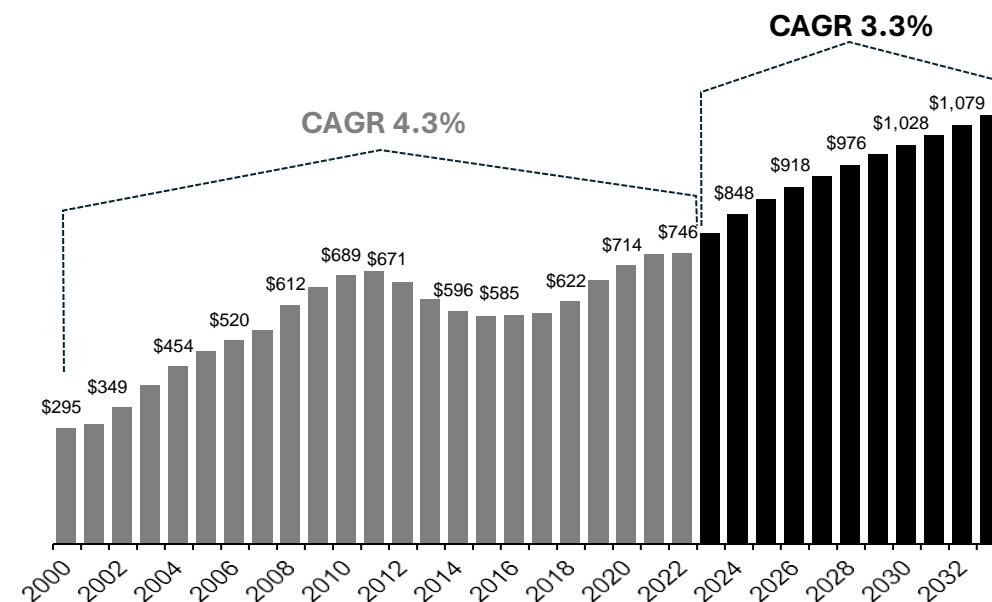
Adjusted NICS Checks (in millions)

Adjusted NICS checks have risen over the past five election years, pointing to support for increased ammunition demand in late 2024



US Historical and Projected Defense Outlays¹

While slower than historical years, U.S. projected defense outlays are expected to increase at a 3.3% CAGR through 2032



1. US Congressional Budget Office

INVESTMENT HIGHLIGHTS

- GunBroker.com is the largest online marketplace for firearms in the US and expanding from the 'Auction House of Firearms' to the 'Amazon / eBay of Shooting Activities'
- New management team leading transition
- Legacy manufacturing business (AMMO, Inc.) pivoting to higher-margin product mix for sustainable profitability
- New product development improving customer experience (improved check-out) and creating new revenue opportunities (e.g., concierge services for outdoor experiences)
- Excellent balance sheet and strong FCF to support expansion and acquisitions





REASONS TO LISTEN

GUNBROKER.COM (TECH)

**\$1 + BILLION ANNUAL MERCHANDISE VOLUME
for FY2023**

**80+% GROSS PROFIT MARGIN FROM
MERCHANDISE FEE REVENUE**

**LARGEST MARKETSHARE IN FIREARM AND
AMMUNITION SPACE**

**ENHANCED PLATFORM WITH CARTING ENABLES
GREATER TAKE RATE – CURRENT TAKE RATE OF 5-6%**

AMMUNITION MARKET (MFG)

**NEW 185,000 SQ FT. MANUFACTURING
FACILITY DOUBLES CAPACITY**

**STRATEGIC PIVOT TO HIGHER MARGIN DEEP
DRAW RIFLE BRASS PRODUCTS**

**MANUFACTURER OF NATO AND RUSSIAN
CALIBERS THAT ARE IN HIGH DEMAND BOTH
DOMESTICALLY AND INTERNATIONALLY**

**SIGNIFICANT INTERNATIONAL
OPPORTUNITIES**

GUNBROKER.COM

INCREASED CUSTOMER BASE

- 70% of the US Population shops online
- Marketplace ecommerce sales were forecast to hit \$428 billion in 2024 or 33.8% of total online sales¹

EVOLVING CUSTOMER BASE

- By 2026, 24% of retail purchases are expected to take place online²
- Ecommerce sales are expected to grow 10.4% in 2023²

SOCIAL / POLITICAL COMMENTARY

- Legislative or regulatory events bring new & diverse consumers to the platform

1. <https://www.insiderintelligence.com/content/us-retail-ecommerce-marketplaces-forecast-2023>

2. https://www.forbes.com/advisor/business/ecommerce-statistics/#general_e_commerce_statistics_section

AMMUNITION MARKET

GROWING INTERNATIONAL DEMAND

- \$22.35B global ammunition market in 2021 and estimated to reach \$23.30B in 2030
 - \$12B in Small Caliber
 - 3.2% CAGR 2022- 2030

STRONG DEMAND FOR PREMIUM RIFLE

- Customers are looking for flatter, heavier, faster
- 7mm PRC, 6.5 CM, 338 Lapua, 338 Norma, 300 Norma, 264 Int.

NATO AND EASTERN EUROPE WILL BE RESTOCKING FOR THE NEXT TEN YEARS



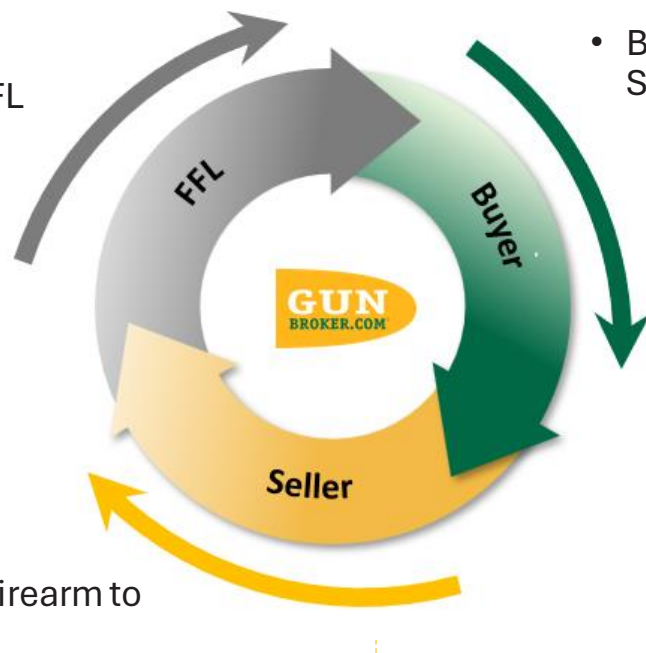
MARKETPLACE



GunBroker.com is the World's Largest Online Marketplace of Firearms and Accessories

HOW IT WORKS

- FFL Performs NICS --> Transfers Gun to Buyer. FFL typically charges Buyer a Transfer Fee



- Seller ships Firearm to FFL

- Buyer purchases Firearm from Seller on GunBroker.com

- Buyer Pays \$ Seller
Buyer sends FFL's info to Seller

Conveniently transact regulated and unregulated merchandise

Top 600

Ranked in the USA for Traffic

8.0

MILLION

Registered Users

2.4

MILLION

Items Sold in 2023

\$1+ BILLION

Annual Gross Merchandise
Volume in FY2023



Strong Hunt Shoot Industry Fundamentals

39% of all

FFL's are Actively engaged on
GunBroker.com¹

15.9 Million

(4.8 Million are first time buyers)
Firearms Sold in the US 2023²



Overall On-Line Consumer Behavior

274.7 Million

Digital Buyers in US
in 2023³

\$1.1 Trillion

Total US Ecommerce sales
in 2023³



Increased Capability and Go To Market Approach

- Streamlined Checkout Process
- Enhanced Seller Solutions
- Improved Customer Acquisition

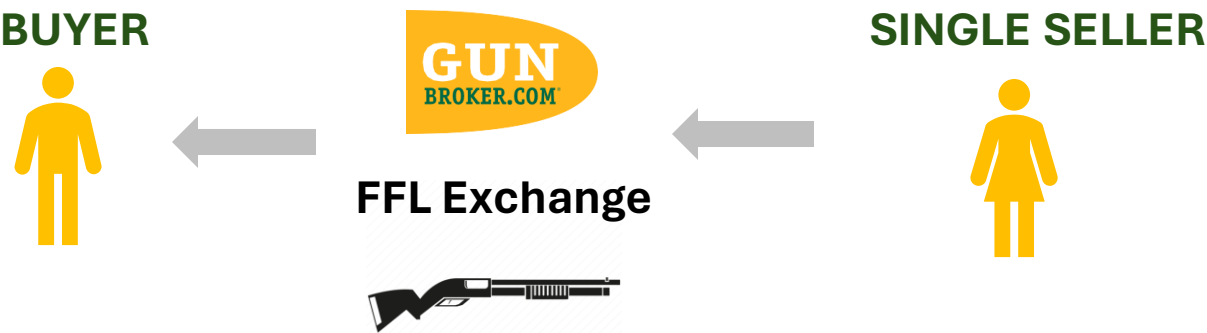
1. GunBroker.com Site Data and NICS Reporting by ATF.

2. <https://www.nssf.org/articles/2023-record-year-for-firearms-2024-looming-large/>

3. <https://www.yaguara.co/online-shopping-statistics/>

SHOPPING CART AND CHECKOUT PROCESS AS OF MARCH 14, 2024

TRANSACTION 2023



TRANSACTION TODAY

7% Cart adoption on
March 11, 2024



15.6% Cart adoption on
March 14, 2024

SHOPPING CART & CHECKOUT



MULTIPLE ITEMS

Shopping Cart

Items in Your Cart

Deselect All

☒

Ammo Inc. 9mm Luger 115 Grain Total Metal Coating (TMC) – 50 Rounds

Item #: 1041234050

Price: \$15.70

Accepts:

[Use Alternative Payment Method](#)

1

Delete

[Shop Comparable Items](#)

☒

Glock OEM MAGAZINE G43X/G48 9MM 10RD Glock 43X/48Mag 9mm 47818

Item #: 1040737967

Price: \$24.99

Accepts:

[Use Alternative Payment Method](#)

1

Delete

[Shop Comparable Items](#)

☒

GLOCK 48 9MM 4" 10+1 SEMI AUTO PISTOL NEW!

Item #: 1033034637

Price: \$499.99

Accepts:

[Use Alternative Payment Method](#)

FFL Required

1

Delete

[Shop Comparable Items](#)

MULTIPLE SELLERS

Checkout

Selected Items

GLOCK 48 9MM 4" 10+1 SEMI AUTO PISTOL NEW!

Item #: 1033034637 | Qty: 1

Unit Price: \$499.99

FFL Required

Shipping Class:

USPS Priority Ma...

FFL / C&R Shipping Address:

NORTH SCOTTSDALE PAWN...

Find FFL

☐ Make Default FFL

Glock OEM MAGAZINE G43X/G48 9MM 10RD Glock 43X/48Mag 9mm 47818

Item #: 1040737967 | Qty: 1

Unit Price: \$24.99

Shipping Class:

USPS Priority Ma...

Shipping Address:

Umarex Usa Gunfest, 7700 CHAD C...

Ammo Inc. 9mm Luger 115 Grain Total Metal Coating (TMC) – 50 Rounds

Item #: 1041234050 | Qty: 1

Unit Price: \$15.70

Shipping Class:

Ground - \$14.99

Shipping Address:

Umarex Usa Gunfest, 7700 CHAD C...

Summary

Detailed

Enter Coupon Code

Apply

Merchandise:

\$540.68

Shipping:

\$49.48

Est. Taxes/Fees:

\$53.81

Total Payable:

\$643.97

Proceed to Payment (3)

COLLECTOR'S ELITE AUCTIONS

Specialty site cataloging high-end auctions hosted on GunBroker.com.

- Invite-only to sell.
- Buyers premium option - cap final value
- All transactions (bidding/buying/checkout) are conducted on GunBroker.com

COLLECTOR'S ELITE AUCTIONS

COLLECTOR'S ELITE AUCTIONS

COLLECTOR'S ELITE AUCTIONS

Current Bid	Starting Bid	Buy Now Price Was
\$32,975.00	\$0.01	\$0.00
No Reserve!	100 Bids	Bid History
Time Left 15 min rule	Ending Time	
Item has Ended	3/10/2024 10:00 PM	

Item viewed 68815 times.

COLLECTOR'S ELITE AUCTIONS

AUCTIONS: CURRENT | UPCOMING | PAST

Articles | Videos

WELCOME TO COLLECTOR'S ELITE AUCTIONS

Mollitia et adipisci quod minima nihil et sit sit. Saepe aperiam ea eligendi harum assumenda. Eum doloreque distinctio providat ipsam voluptatem ex ea. Asperiores voluptas ullam eum tenetur assumenda blanditiis vero nulla sit. Qui sit doloribus fugiat possimus resectant.

BROWSE CURRENT AUCTIONS

CURRENT AUCTIONS

Mollitia et adipisci quod minima nihil et sit sit. Saepe aperiam ea eligendi harum assumenda. Dolorumque distinctio providat ipsam voluptatem ex ea.

BROWSE CURRENT AUCTIONS

UPCOMING AUCTIONS

Mollitia et adipisci quod minima nihil et sit sit. Saepe aperiam ea eligendi harum assumenda. Dolorumque distinctio providat ipsam voluptatem ex ea.

VIEW UPCOMING AUCTIONS

PAST AUCTIONS

Mollitia et adipisci quod minima nihil et sit sit. Saepe aperiam ea eligendi harum assumenda. Dolorumque distinctio providat ipsam voluptatem ex ea.

VIEW PAST AUCTIONS

FEATURED AUCTIONS

COLLECTOR'S ELITE AUCTIONS

COLLECTOR'S ELITE AUCTIONS

COLLECTOR'S ELITE AUCTIONS

COLLECTOR'S ELITE AUCTIONS

YOU MAY ALSO LIKE...

TOP SHOTGUNS BY THE BEST BRANDS

ANTIQUITY FIREARMS

ABOUT OUR SERVICE

COLLECTOR'S ELITE AUCTIONS

MARKETING: LIFESTYLE CAMPAIGNS BY PERSONA



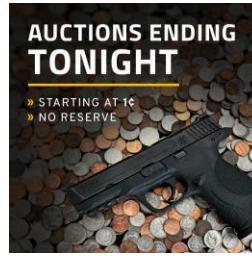
COLLECTOR



PREMIUM



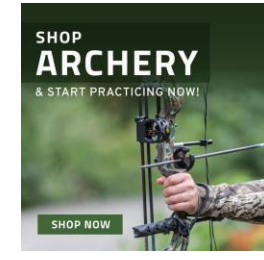
VALUE BASED



INTERESTS



ACCESSORIES



MARKETPLACE REVENUE: CURRENT AND FUTURE

CURRENT REVENUE

Final Value Fee - The Final Value Fee is assessed when the listing sells and is based on the price that the item is sold for.

Optional Listing Fees - Revamping listing options for enhanced buyer and seller experience

Advertising - Two times growth projection for FY 2025



REVENUE EXPANSION

Carting and Streamlined Payment – Enables cross selling opportunities, multi-item and multi-seller checkout

Ancillary Product Categories for the Outdoor Enthusiast - Ancillary categories significantly expand market opportunity.

Collector's Elite - Higher revenue, invite only for sellers.

Analytics - Analytics revenue stems from the sale of customized reporting solutions tailored to industry marketplace trends.

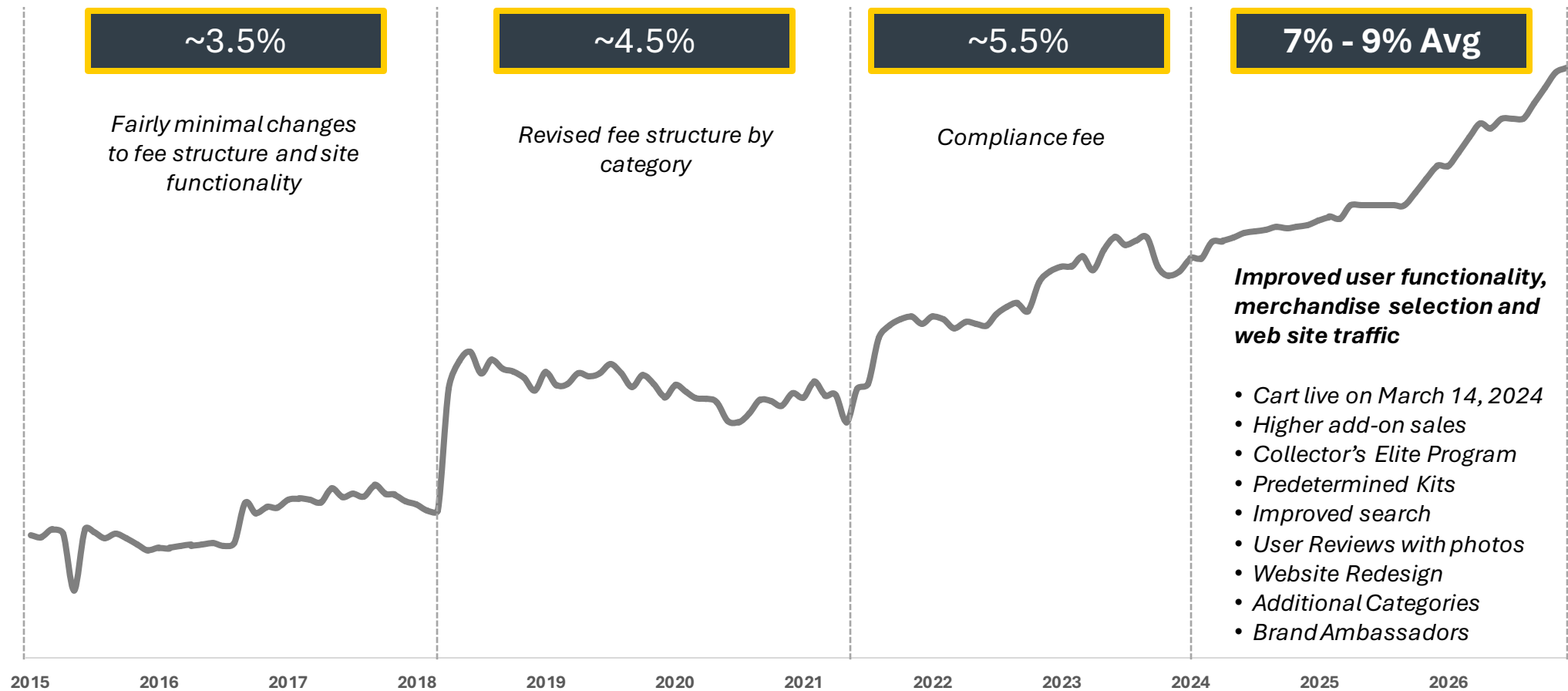
Services - An upcoming feature facilitating experience offerings for various services including safaris, guided fishing, gunsmithing, and more.

Category Take Rate Improvement - Non-restricted and accessories

Shipping / Shipping Insurance - Centralized resource within the platform

Financing - Seller solution

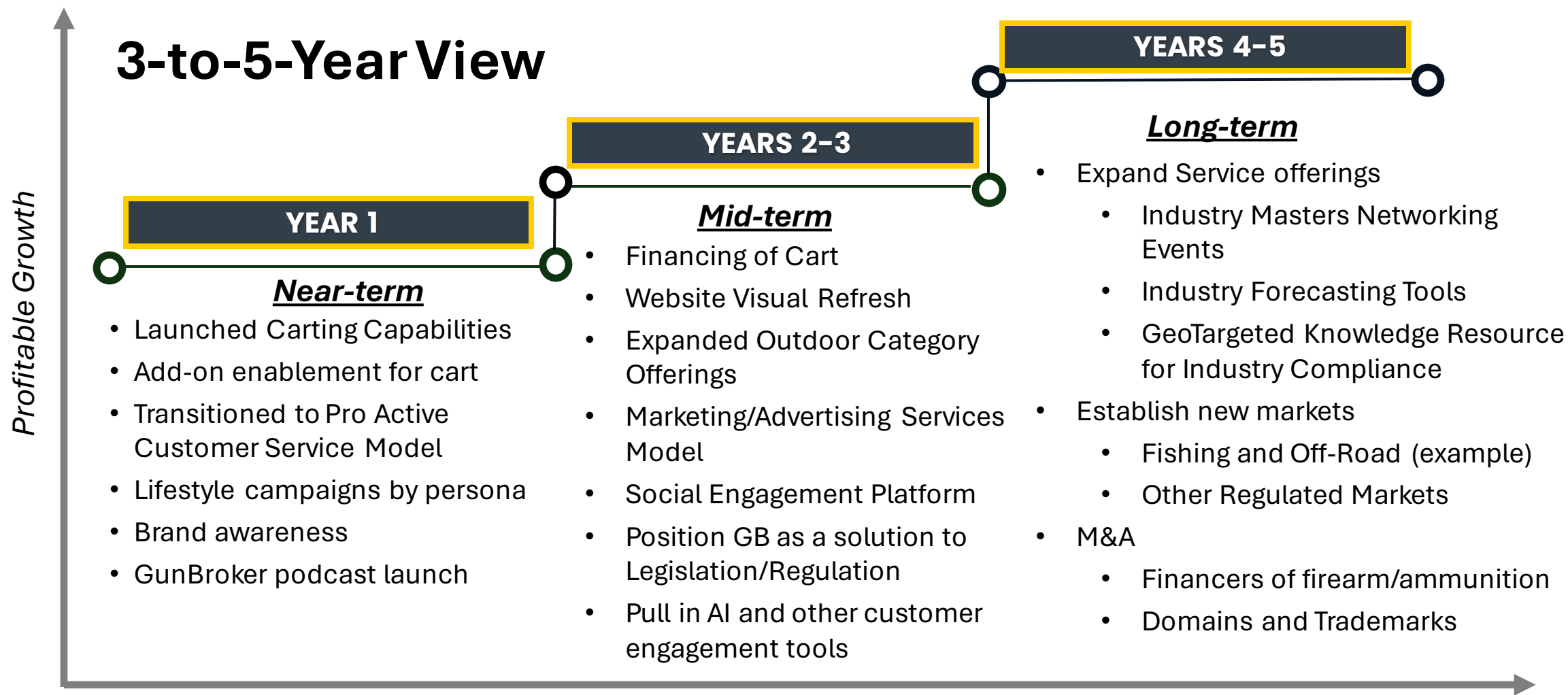
HISTORICAL TAKE RATE (CALENDAR YEAR)



FINANCIAL GOALS OVER NEXT 3 YEARS

- 10% YOY targeted growth
- Trailing 36-month Annual Average Gross Merchandise Volume of \$1.3 Billion
- Increasing take rate from 6% to 7%-9%
 - Tiered fee structure
 - Attractive shipping offerings
 - Advertising
 - Customized Analytics Solutions
 - Cross-selling and suggestive pay to click





AMMUNITION DIVISION

MANUFACTURING INVESTMENTS TO SUPPORT LONG TERM GROWTH

AMMO INC.'S AMMUNITION DIVISION'S NEW MANUFACTURING FACILITY INCREASES LEGACY AMMUNITION PRODUCTION AND BRINGS NEW CAPABILITIES VIA NEW LINES AND EXPANSION OF RIFLE BRASS PRODUCTION

- ~\$30M CapEx in FY2022 and FY2023 culminated in the opening of a 185,000 sq. ft. facility with training areas, production lines, inspection lines, 12 shipping bays, and 18,000 sq. ft. of office space
- New capabilities include 50 caliber brass production and an increase in medium action rifle brass capacity by nearly 150%
- The Manitowoc facility will eliminate delivery issues and significantly widen AMMO, Inc.'s product offering

Core Capabilities

- 1 Brass Production
- 2 Bullet Production
- 3 Case Priming
- 4 Cartridge Assembly
- 5 Quality Control



Manufacturing Expertise

- All 14 Shell case Manufacturing Processes In-House
- Difficult to Replicate Asset Base
- Highly Skilled and Sought-After Workforce

Leading Innovation

- Differentiated Processes and Capabilities
- Proprietary Solutions Developed for US Military
- 2 Patents and 7 Trademarks

Elite Product Performance

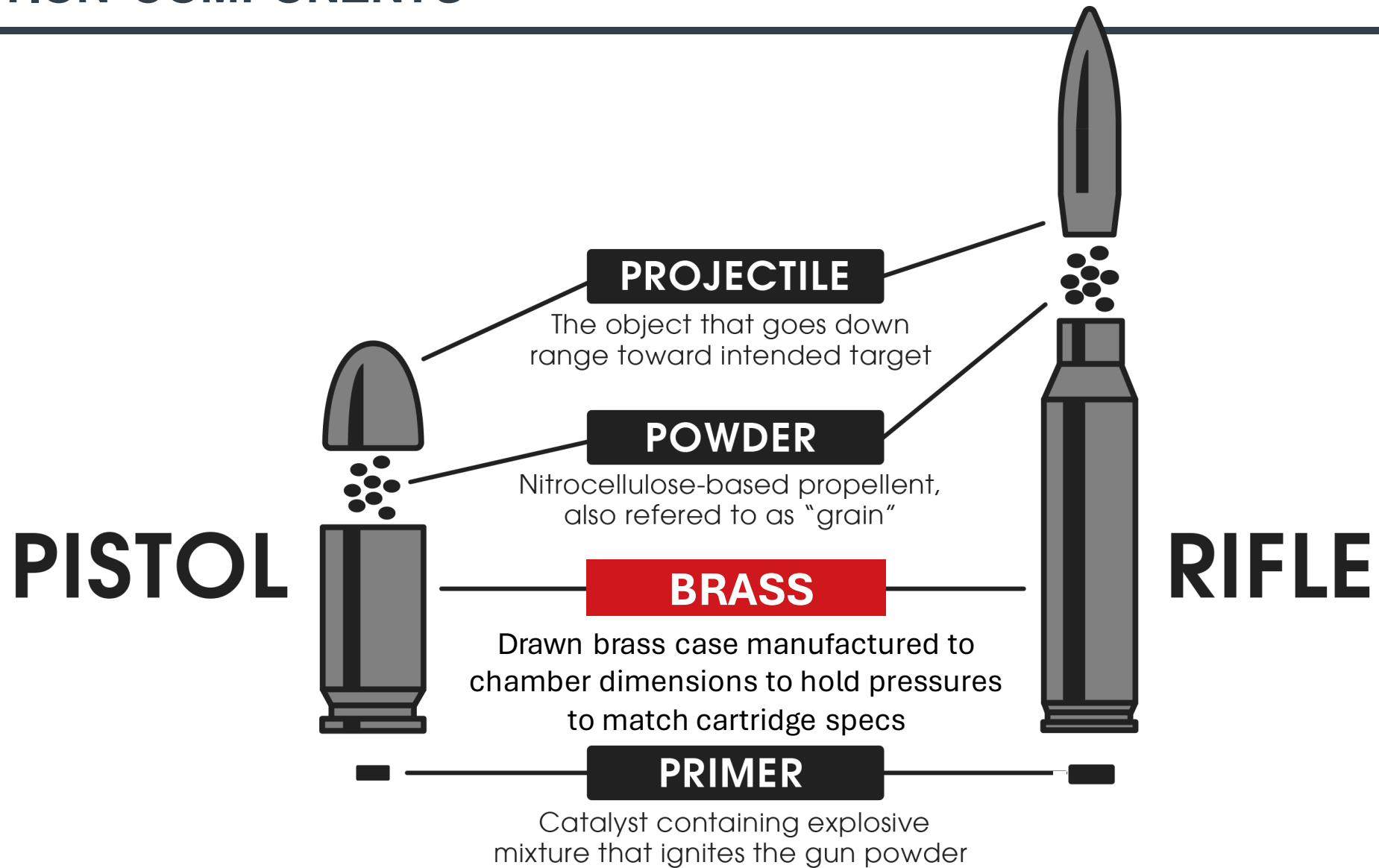
- Streak Line is Highly Coveted Among MIL & LE Partners
- Reputation for Excellence in Centerfire Rifle Shell cases
- Produce 33 Rifle and 15 Pistol Calibers of Highly Reliable and Accurate Ammunition
- Globally Significant Supplier of Critical Shell Cases and Ammunition

BUILD-OUT OF MANUFACTURING FACILITY

- Acquisition of Pelican Tooling to develop internal tooling capabilities
 - CAPEX - \$0.4M
- Cost Out Initiatives – Bunter Mfg.
 - CAPEX - \$1.3M
- Redundancy - Rifle Case Production
 - CAPEX - \$0.8M
- Annealing Oven – Body Annealing
 - CAPEX - \$0.7M
- Streak Automation
 - CAPEX - \$0.35M
- Press Rebuild – Medium Action
 - Cervo Press Rebuild – Operational 11/15/2023



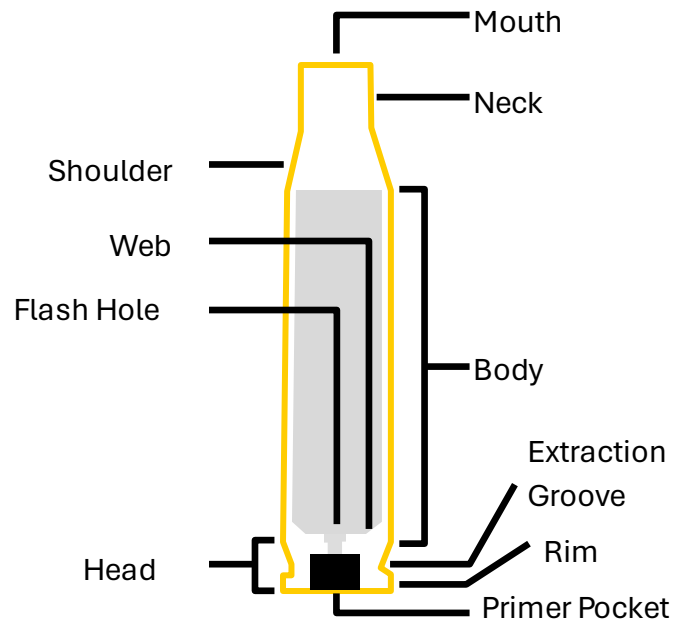
AMMUNITION COMPONENTS



LEADING CENTERFIRE RIFLE SHELL CASE CAPABILITIES

THE AMMUNITION DIVISION'S UNIQUE, HIGHLY COVETED CENTERFIRE RIFLE SHELL CASE VALUE PROPOSITION

Centerfire Rifle Shell Cases are Complex...



...and Difficult to Manufacture...

*Multi-Step Process Comprising Each
of the Below Unique Stages*

Drawing
Annealing
Cleaning/Washing
2- Step Drawing
Annealing
Cleaning/Wash
Heading/Venting
Shoulder/Necking
Trim
Extraction Groove
Polishing

...with Incredibly High Needs for Quality

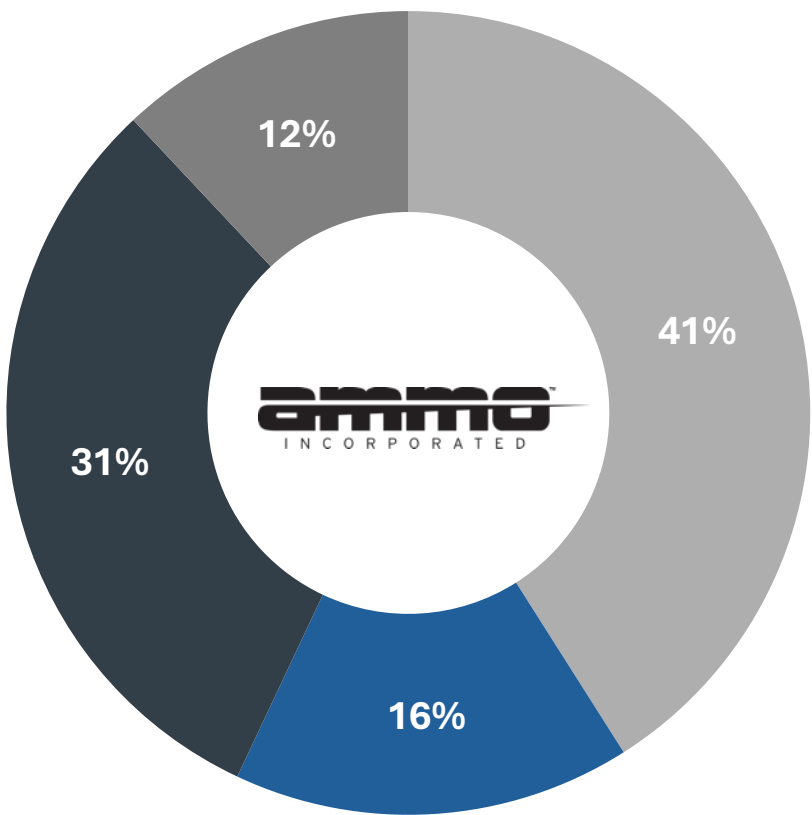
*Key Quality and
Performance Attributes*

- ✓ **Concentricity**
- ✓ **Size of Primer Pocket, Rim and Extraction Groove**
- ✓ **Web Thickness**
- ✓ **Perfect**
- ✓ **Hardness, Reliability, and**
- ✓ **Consistency**

**Durability to Withstand Extreme
Pressures**

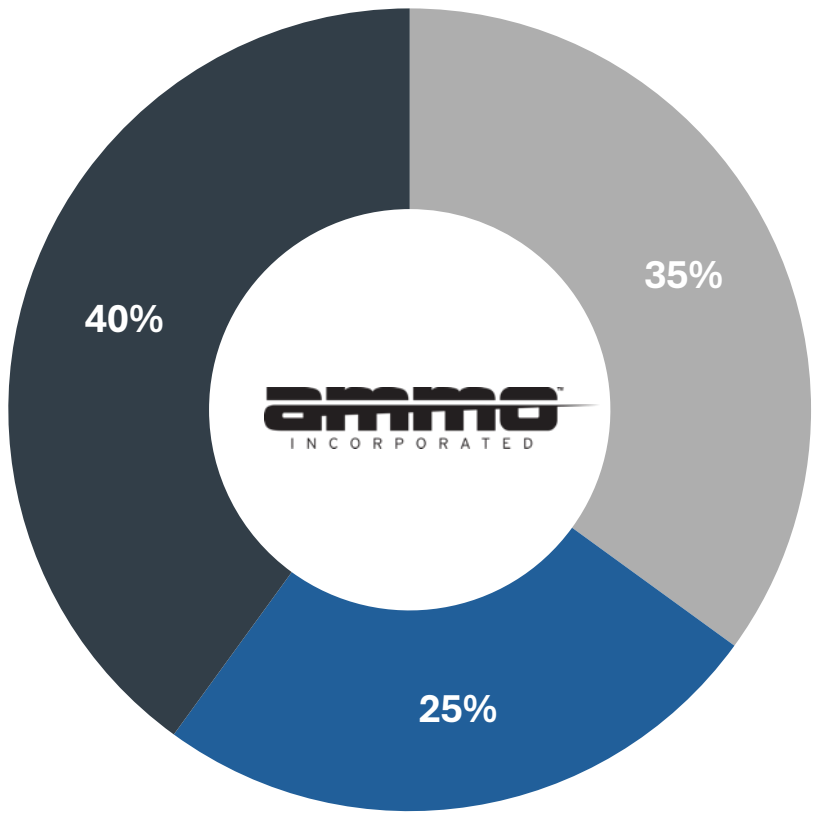
PIVOT TO HIGHER MARGIN PRODUCT MIX

AMMO, INC. PRODUCT MIX 2023
47% BRASS & RIFLE AMMO



■ Pistol Ammo ■ Rifle Ammo ■ Brass Sales ■ Other

PIVOT – FUTURE PRODUCT MIX
65% BRASS & RIFLE AMMO



■ Pistol Ammo ■ Rifle Ammo ■ Brass Sales

STRATEGIC ACCOUNT MANAGEMENT

ONLINE / RETAIL



SHOOTING RANGES



DISTRIBUTORS



BUY GROUPS



EXPAND CHANNELS AND PRESENCE WITH TARGETED INITIATIVES AND NEW PRODUCTS

Objectives	Investment	Deliverables
<ul style="list-style-type: none">• Target and build key customer relationships through Strategic Account Management• Align demand plan with operations• Begin exploration of expanding into other classes of trade – OEM/LE/Gov	<ul style="list-style-type: none">• Rebrand initiative of premium rifle with consumers• Strategic events for marketing and customer retention• Enhance Brand Portfolio at Retail• Continued investment in cost out initiatives with 1-2 year ROI	<ul style="list-style-type: none">• Sales plan of \$100M+ <p><i>Loaded Ammunition Marginality</i></p> <ul style="list-style-type: none">• Pistol +5%• Rifle +20% <p><i>Brass Casings</i></p> <ul style="list-style-type: none">• Brass - Rifle +35%• Brass - Pistol +10% - OH

KEY GROWTH DRIVERS REPRESENTING AMMO INC'S AMMUNITION DIVISION'S GROWTH

REBRANDING

Rebranding of Consumer-Facing Ammunition Packaging

- Readable from 10 feet
- Clearly depicts metrics and drop chart
- Proper language and packaging requirements for int. sales



MILITARY / LAW ENFORCEMENT

Highly Attractive Opportunity to Continue Growth and Diversification via M/LE Initiatives

Select initiatives:

AP

Next Generation
Armor Piercing
Rounds

BMMPR

Ballistically
Matched Multi-
Purpose Round

IHVAC

Intermediate High
Velocity Assault
Cartridge

OWL

One-Way
Luminescent
Technology

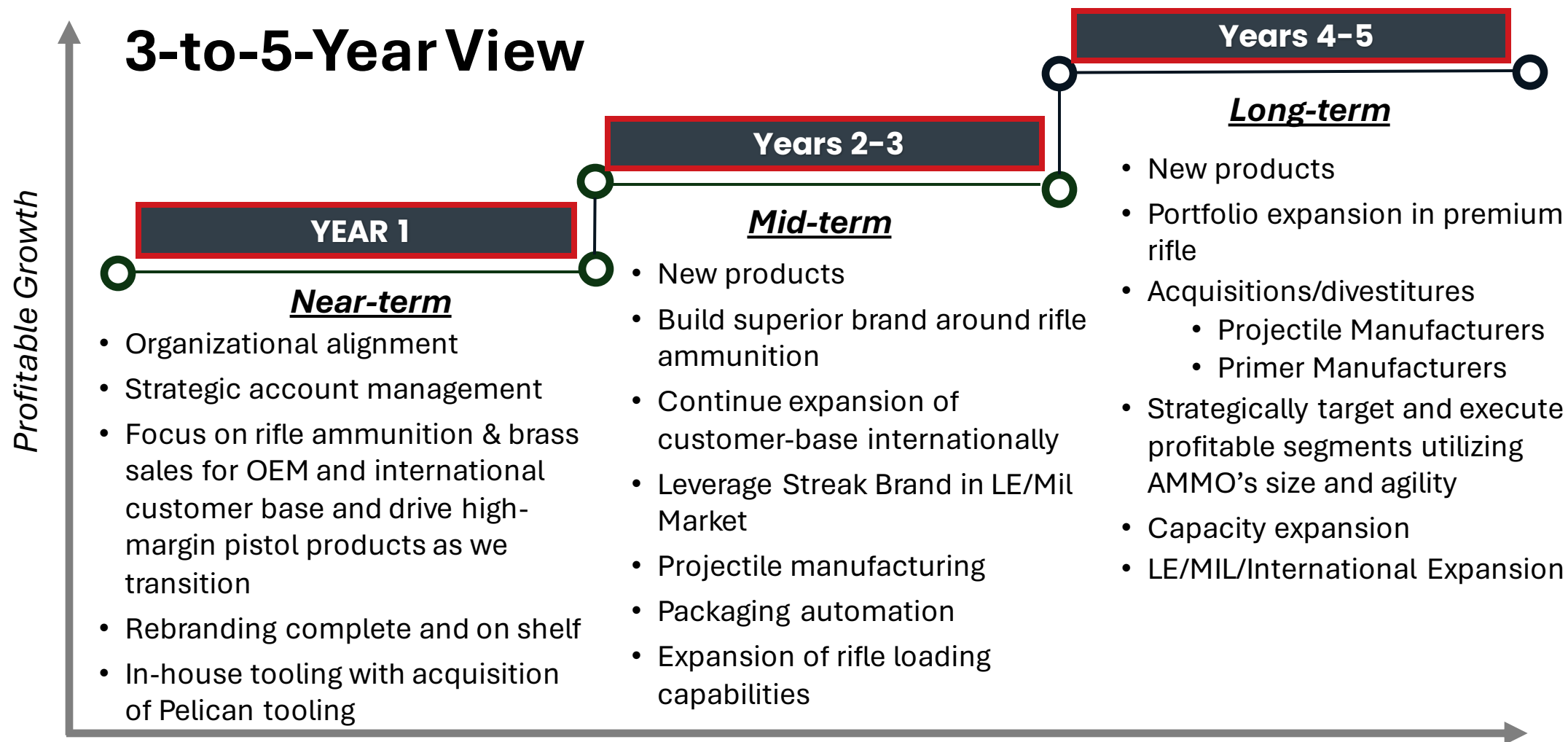
SoT

Signature on
Target

KEY CUSTOMER AGREEMENTS

Opportunity to Grow OEM Supplier Agreements Following Successful Execution of ZRO Delta Contract

- ZRO Delta contract leverages new 50 caliber line
- 6,400,000 units of 12.7x108mm 50 caliber rifle brass
- Contributes to high-margin rifle casing production that
- Proving performance on delivery of the ZRO Delta contract will allow AMMO to restore relationships with key OEM customers and secure more high-volume contracts in high-margin product categories

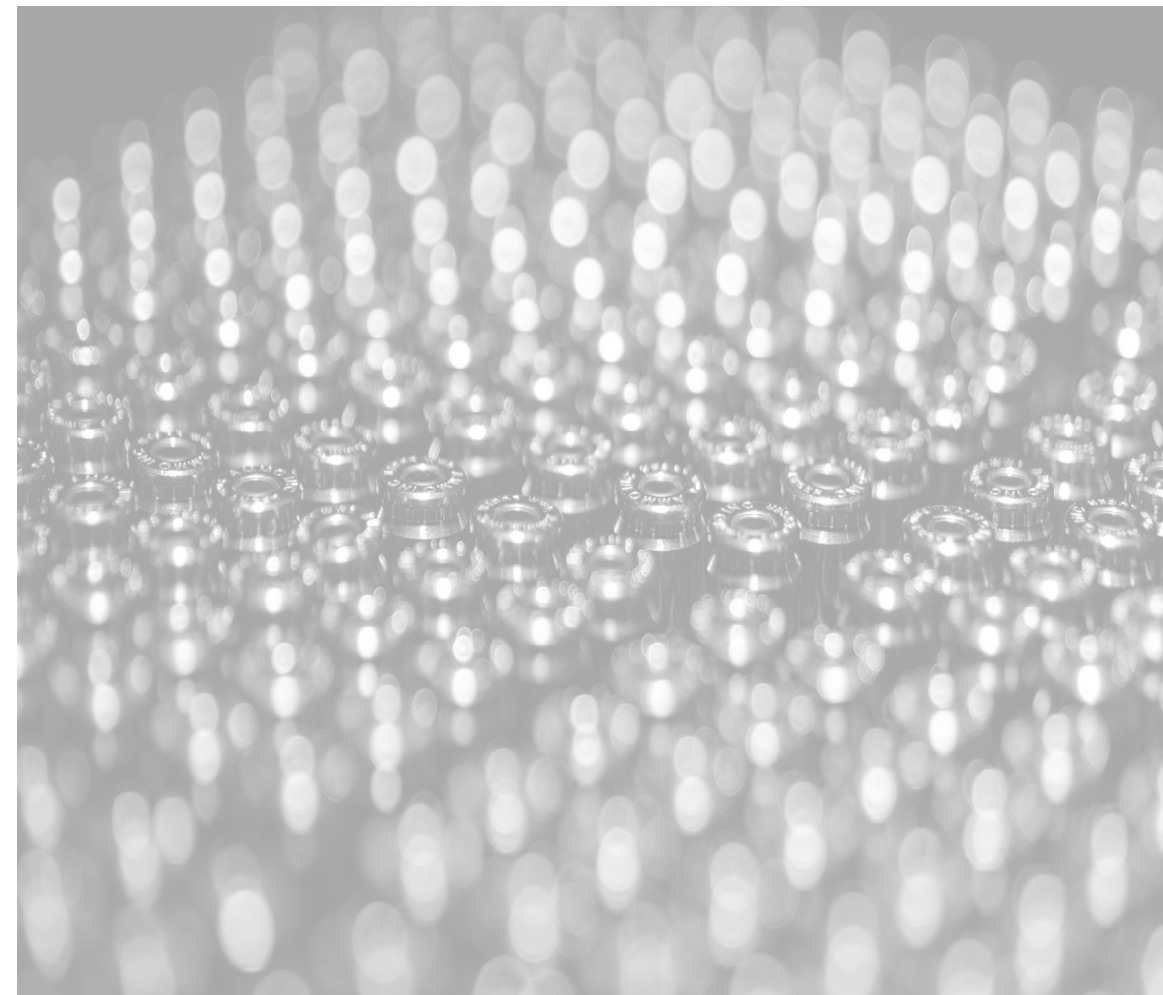




Revenue Goals exceeding \$150M

Financial Targets:

- Gross Profit Margins: 25%+
- EBITDA Margins: 20%+
- Maximum Capacity:
 - 600M to 700M Cartridges / Brass Casings
 - At 80% OEE Rate
 - Stroke and Machine Capacity to Exceed 900M





- GunBroker.com is the Largest Online Marketplace for Firearms in the U.S.
- New Management Team Leading Transition from Manufacturing Model to Technology Model
- GunBroker.com Expanding From the 'Auction House of Firearms' to the 'Amazon / eBay of Shooting Activities'
- Legacy Manufacturing Business Pivoting to Higher Margin Product Mix and Sustainable Profitability
- Excellent Balance Sheet and Strong FCF to Support Expansion and Acquisitions



THANK YOU



APPENDIX



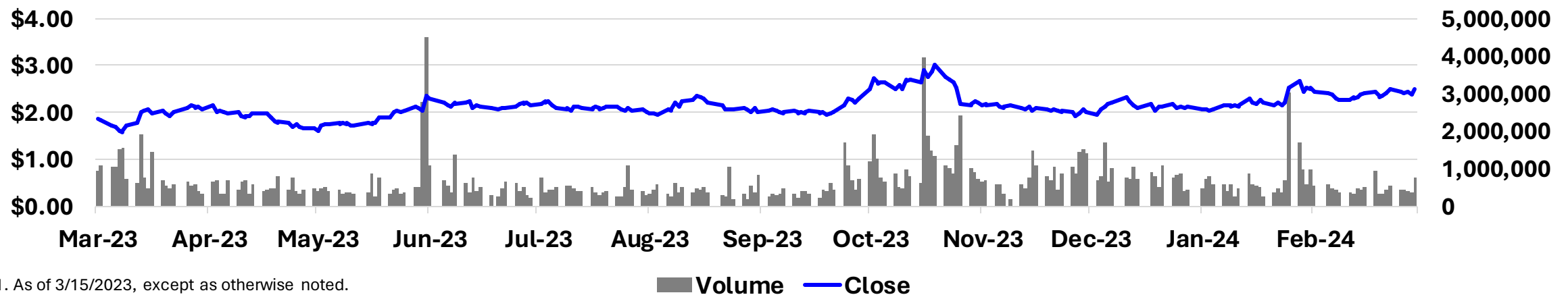
COMPANY SNAPSHOT



Market Statistics^{1,3}

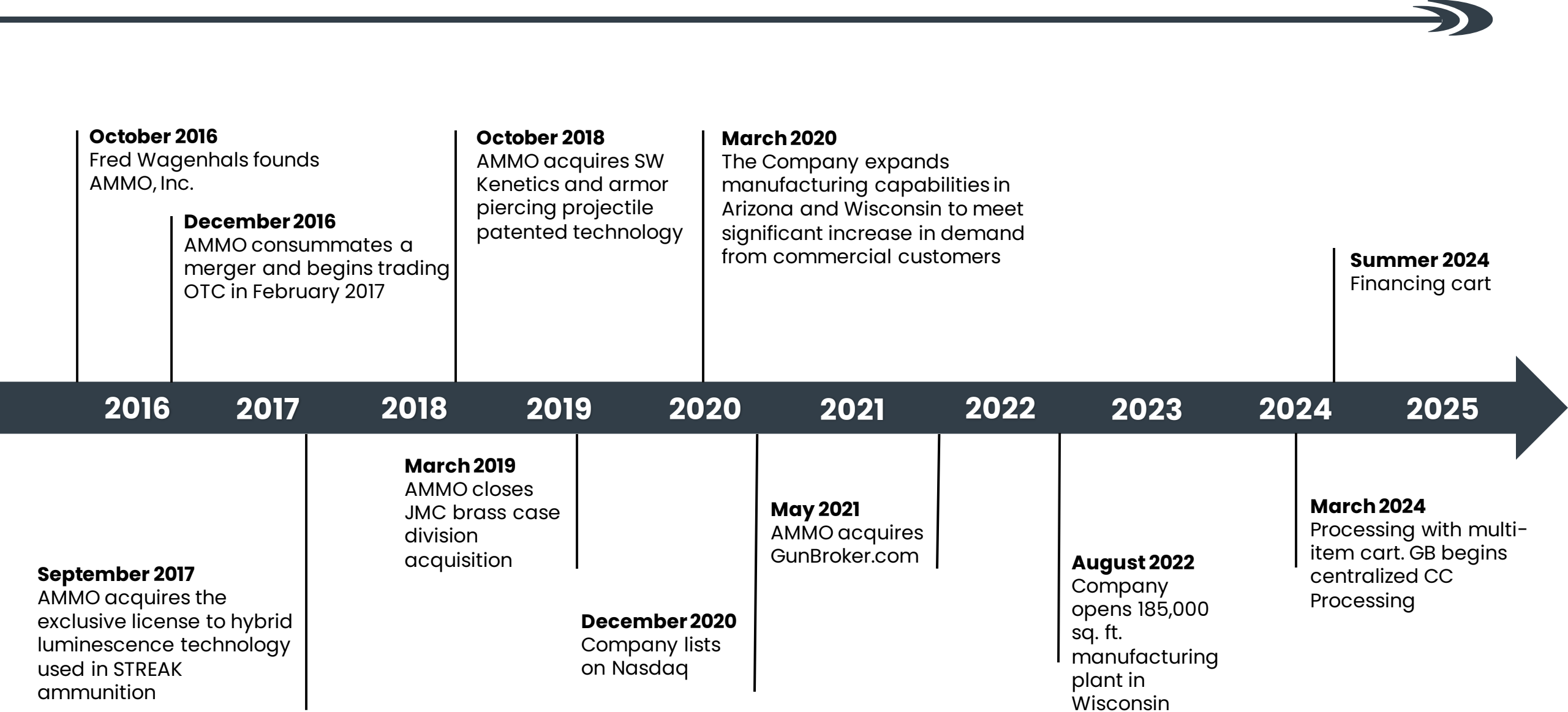
Share Price	\$2.50	Diluted Shares Outstanding ²	118.4 million
52 Week High	\$3.15	Market Capitalization	\$296.7 million
52 Week Low	\$1.57	Debt (as of 12/31/2023)	\$13.4 million
Avg. Daily Volume (3 Months)	669,490	Cash (as of 12/31/2023)	\$54.7 million
Insider Ownership	24.7%	Enterprise Value	\$255.1 million

LTM Share Price Performance^{1,3}



1. As of 3/15/2023, except as otherwise noted.
2. Treasury stock method as of 12/31/23
3. Source: Public filings, Yahoo Finance, and management.

INTRODUCTION AND ROADMAP



September 2017
AMMO acquires the exclusive license to hybrid luminescence technology used in STREAK ammunition

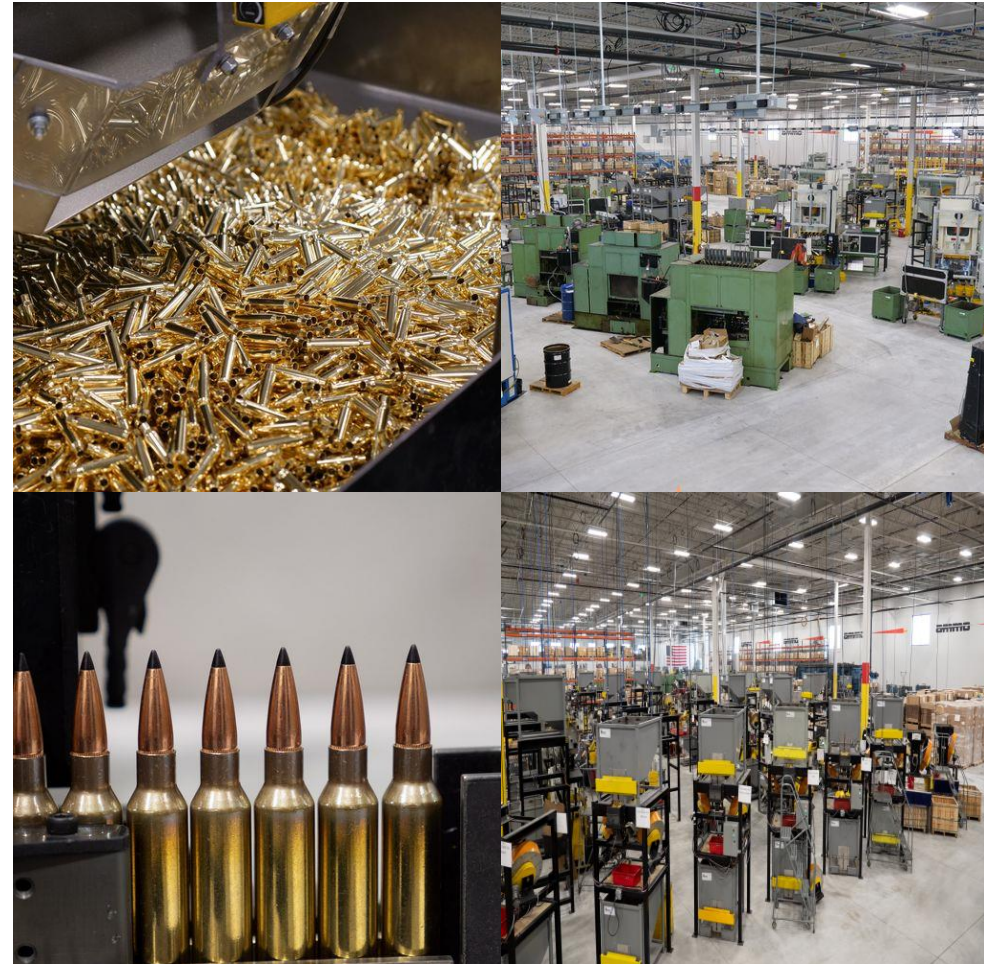
December 2020
Company lists on Nasdaq

March 2024
Processing with multi-item cart. GB begins centralized CC Processing

RIFLE CALIBERS PRODUCED IN HOUSE

RIFLE

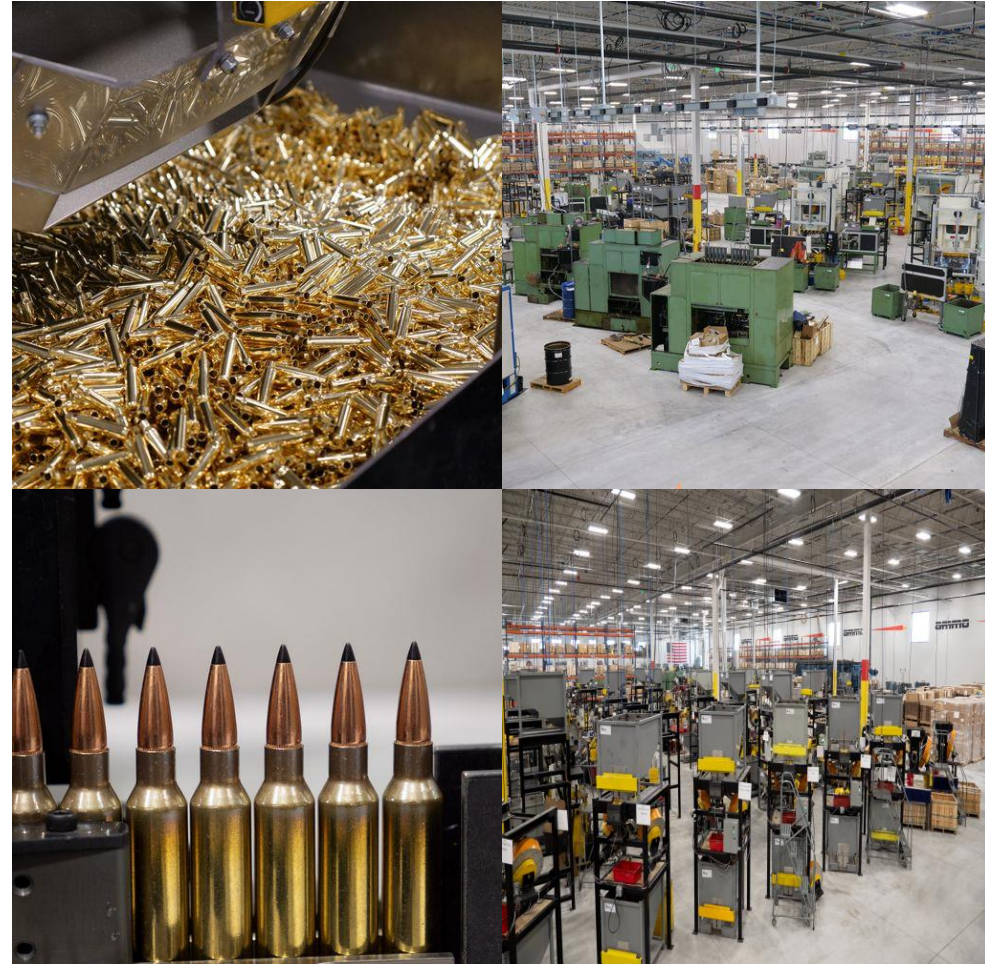
- ▶ 308
- ▶ 22-250
- ▶ 7mm-08
- ▶ 243
- ▶ 6.8 X 51
- ▶ 30-06
- ▶ 270
- ▶ 25-06
- ▶ 35 Whelan - NP
- ▶ 350 Legend - NP
- ▶ 45-70 – NP
- ▶ 7.62 X 39
- ▶ 5.45 X 39 - NP
- ▶ 6.5 CM
- ▶ 6mm CM
- ▶ 6.5 Grendel
- ▶ 6mm Arc
- ▶ 4.6
- ▶ 50BMG
- ▶ 12.7 X 108
- ▶ 338 Lapua
- ▶ 338 Norma Magnum
- ▶ 300 Norma Magnum
- ▶ 7mm PRC - New
- ▶ 6.5mm PRC
- ▶ 300WM
- ▶ 7REM MAG
- ▶ 6MM ARC
- ▶ 45-70
- ▶ 350 Legend
- ▶ 300BLK
- ▶ 223/5.56 X 45
- ▶ 7.62 X 51



PISTOL CALIBERS PRODUCED IN HOUSE

PISTOL

- ▶ 9mm
- ▶ 25Auto
- ▶ 32Auto
- ▶ 380Auto
- ▶ 38SPL
- ▶ 38SUPER
- ▶ 357M
- ▶ 40SW
- ▶ 357 Sig
- ▶ 45Auto
- ▶ 44 MAG
- ▶ 45 LC
- ▶ 450 BM - New
- ▶ 10mm
- ▶ 44SW



AMMO MANUFACTURING



Manufacturing Site

- 185,000 sq. ft. facility: training facility, 12 shipping bays, 200-meter indoor ballistic range
- Opened in August 2022 in Manitowoc, WI (AMMO/JMC plant)
- Footprint to expand another 40,000 sq. ft., 37 acres with options on an additional 38 contiguous acres
- H-Occupancy loading bay for handling Fuses & Explosives
- Leading OEM rifle/pistol brass manufacturer in the US
- Capacity and footprint to scale to 1B
- Over \$100M in assets

Patented Technologies

- One-Way Luminescence (O.W.L.) for pistol and rifle projectiles
- Hardened armor piercing and incendiary projectiles

Deep Draw – Rifle Brass

- Jagemann is known as the leading OEM rifle brass manufacturer in the industry
- Calibers include but not limited to 50 Cal, 338 NM, 338 Lapua, 300 NM, 7mm PRC, 6mm PRC, 6.5 CM, 7.62X51, 6mm ARC, 30-06, 6.5 Grendel

