



ammoTM

I N C O R P O R A T E D

SEPTEMBER 2021

SAFE HARBOR / FORWARD-LOOKING

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.

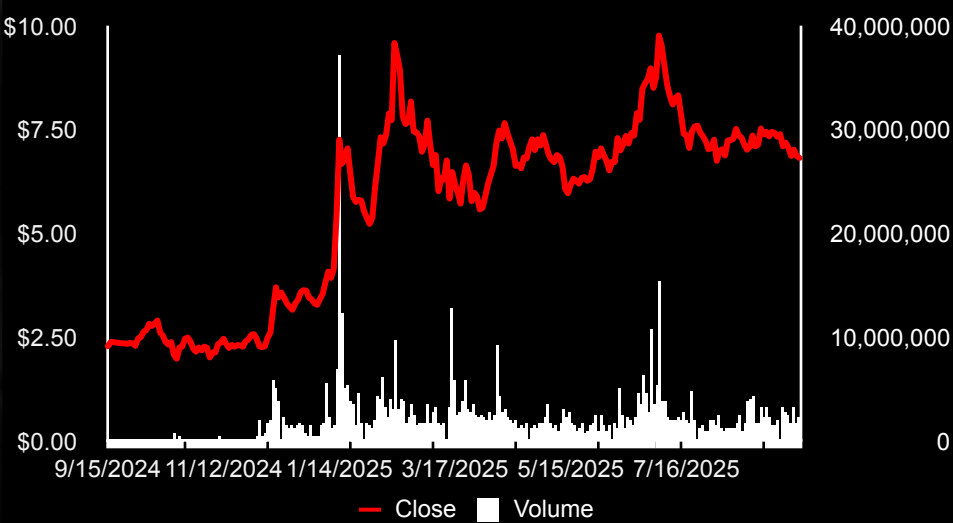
Forward looking statements may include the words “may,” “could,” “estimate,” “intend,” “continue,” “believe,” “expect” or “anticipate” or other similar words, or the negative thereof. These forward-looking statements present our estimates and assumptions only as of the date of this report. Accordingly, 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 the prospectus included in the Registration Statement on Form S-1 (file number 333-248800) initially filed by the Company with the U.S. Securities and Exchange Commission on September 15, 2020.

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 The Enlight Group, SNI, LLC and Ammo Technologies, Inc.

COMPANY SNAPSHOT

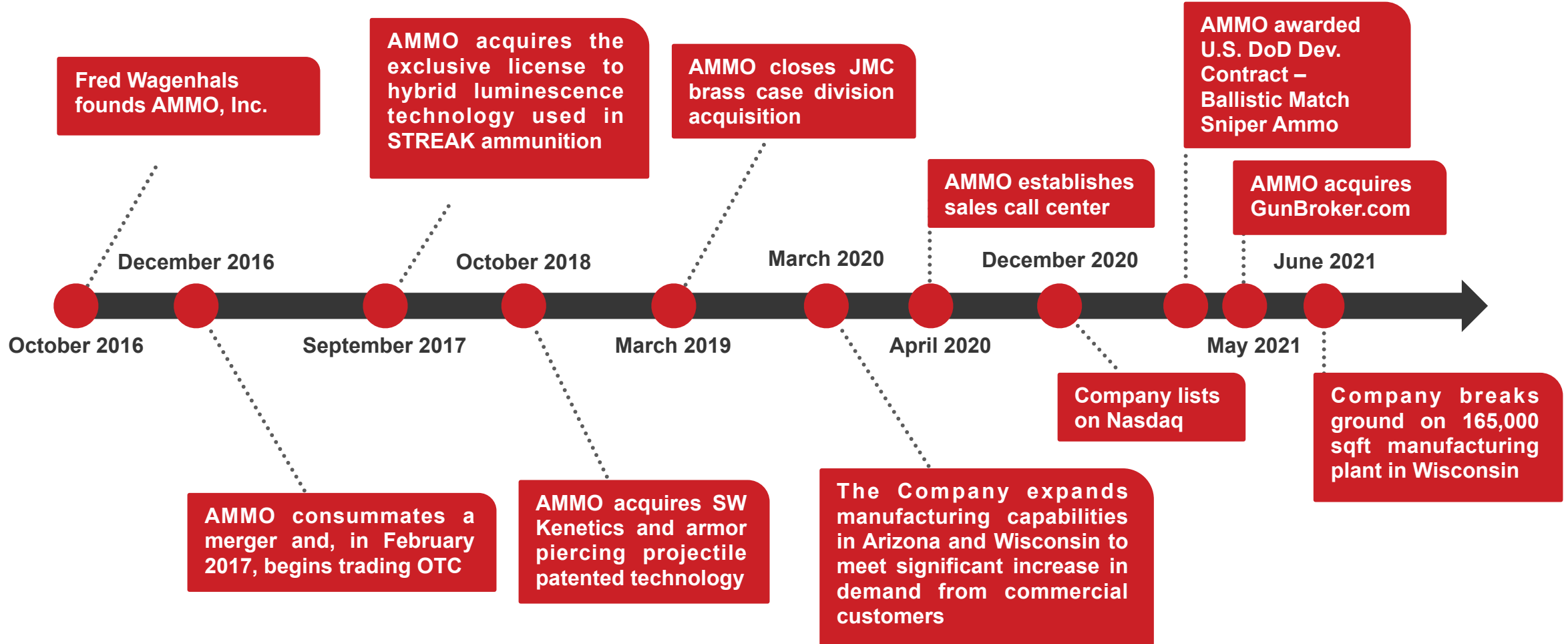
Market Statistics ¹			
Share Price	\$6.84	Diluted Shares Outstanding ²	116.4 million
52 Week High	\$10.37	Market Capitalization	\$779.6 million
52 Week Low	\$1.96	Debt (as of 6/30/2021)	\$4.0 million
Avg. Daily Volume (3 Months)	2,840,000	Cash (as of 6/30/2021)	\$51.0 million
Insider Ownership	23.5%	Enterprise Value	\$735.5 million

LTM Share Price Performance¹



1) As of 9/10/2021, except as otherwise noted.
 2) Treasury stock method.
 3) Source: Public filings, Bloomberg, Capital IQ and management.

COMPANY HISTORY



INVESTMENT HIGHLIGHTS

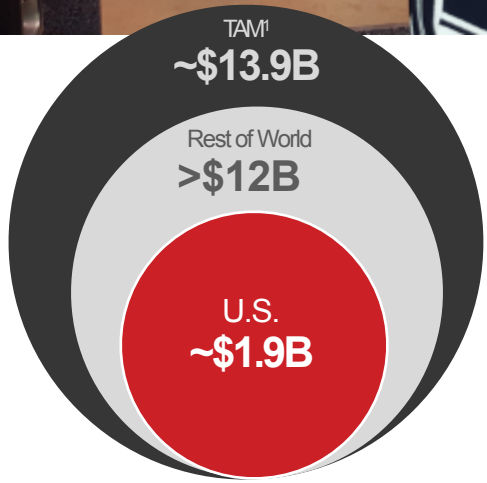
We are a premier American ammunition manufacturer with products that emphasize **innovative technologies** combined with the world's **largest marketplace** for firearms and related accessories



- 1 Large & growing addressable markets
- 2 Leading Marketplace platform
- 3 Multi-channel distribution
- 4 Vertically integrated, scalable model
- 5 Innovative, patented technology
- 6 Strong financial performance
- 7 Experienced management
- 8 Strong financial performance

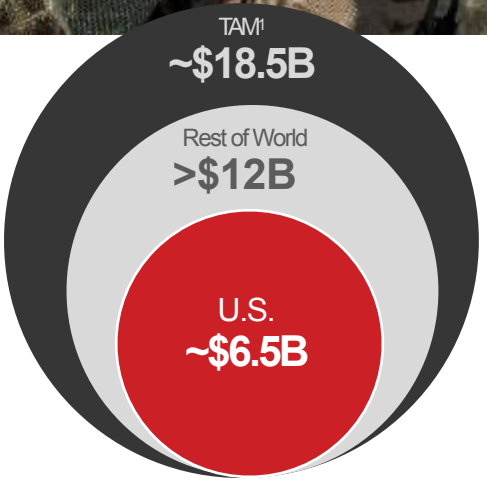
1 LARGE & GROWING ADDRESSABLE MARKETS

Commercial / Retail / GunBroker.com



Big Box Retail Stores
Distributors
Shooting Ranges
E-Commerce

Military & Law Enforcement



U.S. Military
 Special Forces & Conventional Forces
U.S. Law Enforcement
 Federal, State & Local
Foreign Allies
 Military & Law Enforcement

Source: 2018 DOD Budget Proposal and NSSF 1) Total addressable market.

2 GUNBROKER.COM ACQUISITION

Highlights

- ✓ Leading online marketplace for the legal sale of firearms, ammunition and accessories with 6+ million registered users
- ✓ 20+ year heritage of innovation
- ✓ Vertical integration diversifies AMMO's revenue base with high profit-margin business offered through a platform deploying best-in-class secure transactional technology
- ✓ Acquired 100% ownership in Gunbroker.com business by cash payment of \$50.0 million, \$50.0 million of debt assumption & repayment at close, and the issuance 20.0 million shares of Common Stock, subject to approvals and clawbacks.

Financial Profile

CY 2020E Revenue: ~\$60 million

CY 2020E EBITDA: ~\$40 million

Valuation

Enterprise Value: \$240 million

EV / CY 2020E EBITDA: 6.0x

2

LEADING MARKETPLACE PLATFORM

Unique Capabilities + Strong Barriers to Entry

✓ Proprietary Operating Platform

- Gunbroker.com developed its own proprietary source code on which its website currently operates
- The system is highly scalable and easily maintained by the Company's lean team of technical engineers

✓ Authoritative Brand Value

- Gunbroker.com benefits from its reputation as "the" place to buy and sell firearms online
- The Gunbroker.com name drives significant traffic and new users to the website to buy, sell and trade firearms and related products

✓ Air-Tight Compliance Protocols

- Gunbroker.com has a spotless record with the ATF and FBI, which are the primary regulatory authorities in the firearms marketplace
- The Company minimizes fraudulent activity through enhanced security measures, such as cell phone verification and additional customer diligence as needed

✓ Unmatched Scale

- Gunbroker.com has accumulated a critical mass of users, which allows the business to operate at high levels of profitability
- New market entrants will struggle to operate above breakeven levels at lower transaction volumes

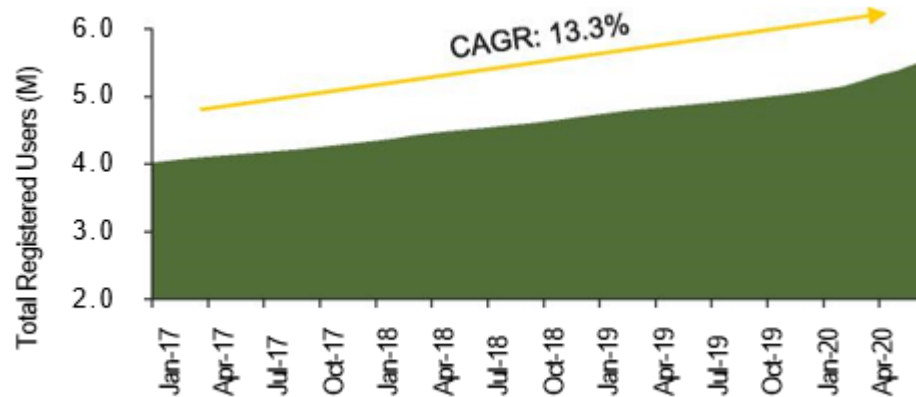
✓ Leading Industry Credibility

- Gunbroker.com has earned decades of credibility across the firearms community as the authoritative online auction marketplace with strict compliance to relevant regulatory protocols
- Potential competitors would struggle to gain the same level of trust and customer stickiness as an unproven service provider

✓ Deep Network of FFL Partners

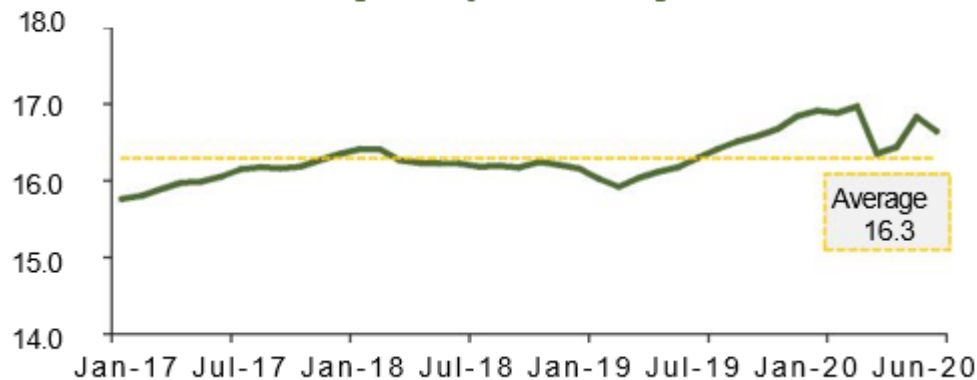
- Gunbroker.com has amassed a network of more than 25 thousand FFL partners and has entrenched its service as an integral part of these dealers' marketing platforms
- It would take a new market entrant decades to cultivate the depth and breadth of Gunbroker.com's relationships across the U.S.

2 LEADING MARKETPLACE PLATFORM



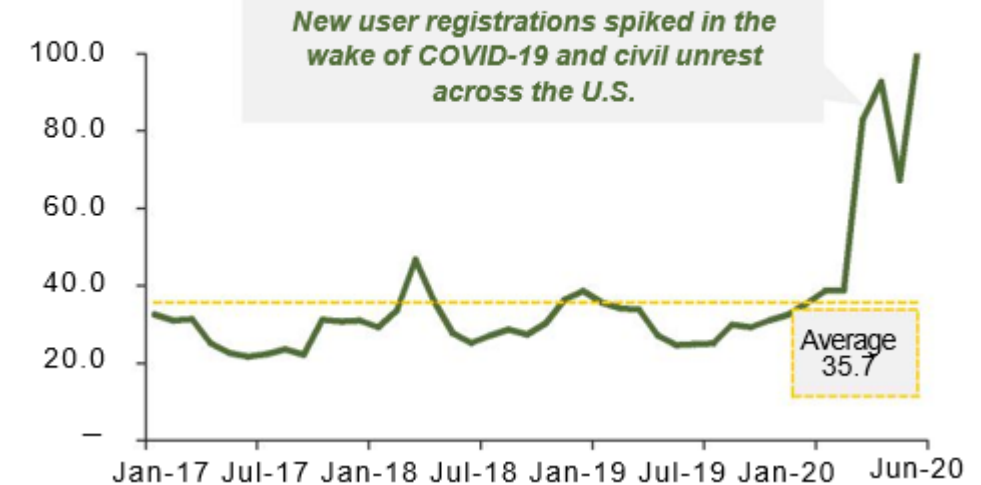
Annual Bids per Active Buyer⁽²⁾

GunBroker's active buyers are highly active, bidding on ~16.3 listings each year on average



Monthly New User Registrations Customer LTV / CAC⁽¹⁾

(in thousands)



3

MULTI-CHANNEL DISTRIBUTION

CURRENT DISTRIBUTION CHANNELS

Online / Retail



Distributors



Shooting Ranges



Buying Groups



4

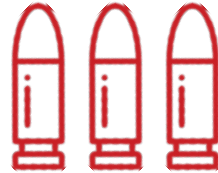
VERTICALLY INTEGRATED, SCALABLE MODEL

EXISTING & NEW MANUFACTURING CAPABILITIES



50,000 sq.ft

Brass casing and military loading facility in Manitowoc, WI



750M+ rounds

Current combined capacity being produced per year



95%

Utilization rate – scaled quickly to support recent industry growth



Currently Under Construction

165,000 sq.ft

\$24M+ state-of-the-art ammunition and brass case manufacturing plant in Manitowoc, WI

Expected to triple current manufacturing output

Up to a potential \$1M of operational efficiencies and cost cutting

Est. Completion: Summer 2022



Among the top manufacturers in the country with state-of-the-art test labs



Manitowoc facility supplies many leading ammunition manufacturers

5

DIFFERENTIATED AND PATENTED AMMUNITION PRODUCTS

AMMO, INC. VS. COMPETITION

AMMO, Inc.

Industry

Patented / Non-commodity

Product

Commoditized

Branded / Licensed

Marketing

Characterized by Use / SKU

Premium

Quality / Price Point

Value

30%+ Target

Product Margins

10-20% Average

Young, Active, New Shooters

Target Customer

Established, Older Generations

5 INNOVATIVE, PATENTED TECHNOLOGY COMMERCIAL



AMMO, INC. Signature Line

- ✓ Superior ball and hollow point ammunition loaded for extreme accuracy and reliability
- ✓ Balanced velocity and recoil with HyperClean powder to shoot more and clean less



STREAK VISUAL AMMUNITION®

- ✓ Exclusive patented technology allows shooter to see projectile's path¹
- ✓ Non-incendiary and does not generate heat allowing them to be used in environments where traditional tracer prohibited (i.e. shooting ranges)

- ✓ STREAK product info and videos: <https://ammoinc.com/product-category/product-family/streak-ammunition/>



/stelTH/ Subsonic Ammunition

- ✓ Designed specifically for superior performance in suppressed firearms, reducing decibel levels while improving accuracy and cleanliness
- ✓ Utilizes HyperClean technology with a total metal jacket slowing suppressor corrosion and reducing build-up of lead emissions

- ✓ /stelTH/ product info and videos: <https://ammoinc.com/product-category/product-family/stelth-subsonic-ammunition/>



AMMO, INC. Signature Blackline

- ✓ Superior hollow point ammunition loaded for extreme accuracy and reliability
- ✓ Balanced velocity and recoil with HyperClean powder to shoot more and clean less
- ✓ Plated Brass for enhanced performance and corrosion resistance

1) Ammo has an exclusive license agreement relating to the marketing and sale of STREAK VISUAL AMMUNITION®.

5 INNOVATIVE, PATENTED TECHNOLOGY DEFENCE



**Hard Armor
Piercing
Incendiary
(HAPI™)
Round**



**O.W.L.
Technology™
Non-Incendiary
Visual
Ammunition**



**Luminescent
Projectiles
Armor
Piercing
Military
Ammunition**



Extremely effective and accurate alternative to current armor piercing rounds offered by defense contractors – consistently outperform competitor offerings



Optimized incendiary projectile designed to penetrate and defeat hard targets



Manufactured in America to match grade specs to ensure **accuracy and effectiveness**



Utilizes the O.W.L. Technology™ in STREAK VISUAL AMMUNITION® to illuminate the trajectory of the projectile



Leaves visible trace with a non-incendiary round significantly improving accuracy



Optimal ammunition for military tactical engagements – the trace is only visible in a 30-degree window from the point of view of the shooter, making the round undetectable from the flanks and the target's viewpoint

Combines STREAK & HAPI technologies for the ultimate military applications

Exclusive license of hybrid luminescent technology under a license AMMO's AP/HAPI cartridges are designed to provide increased accuracy, agreement with the University of Louisiana at Lafayette penetration and lethality over currently available AP cartridges.

5

INNOVATIVE, PATENTED TECHNOLOGY

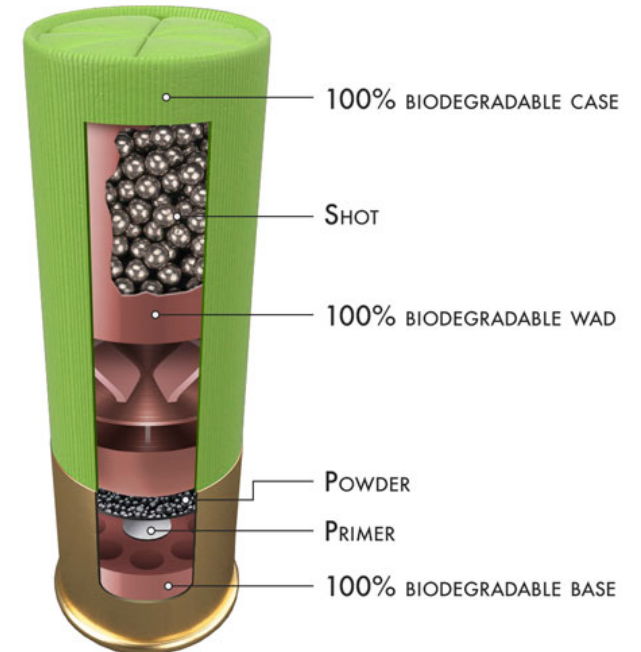
BIOAMMO EXCLUSIVE US DISTRIBUTION

On March 3, 2021, AMMO entered into an agreement with BIOAMMO, S.L., providing the Company with exclusive U.S. distribution rights to sell BIOAMMO's patented biodegradable shotgun shells

Highlights

- ✓ Patented biodegradable hunting and sport shooting shotgun shells
- ✓ R&D in process to manufacture complimentary biodegradable pistol, small and large rifle ammunition
- ✓ Currently sold in 20 countries outside of the US
- ✓ Tested and certified through TÜV AUSTRIA, a world leader in certification of bioplastics

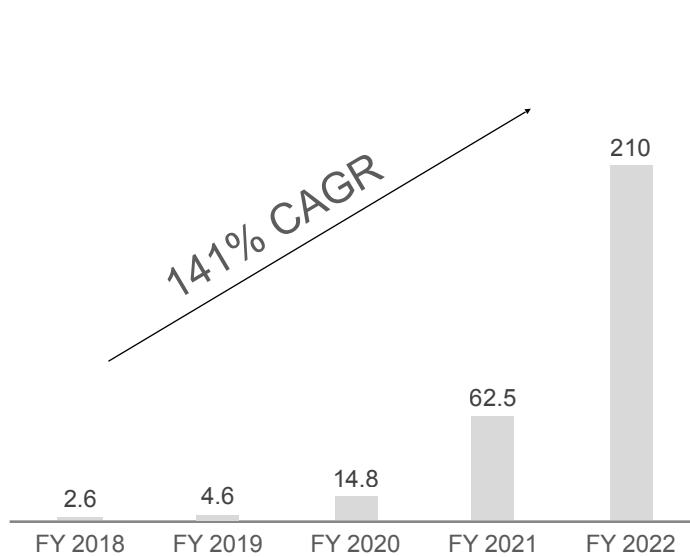
BIOAMMO
Biodegradable Ammunition



6 STRONG FINANCIAL PERFORMANCE

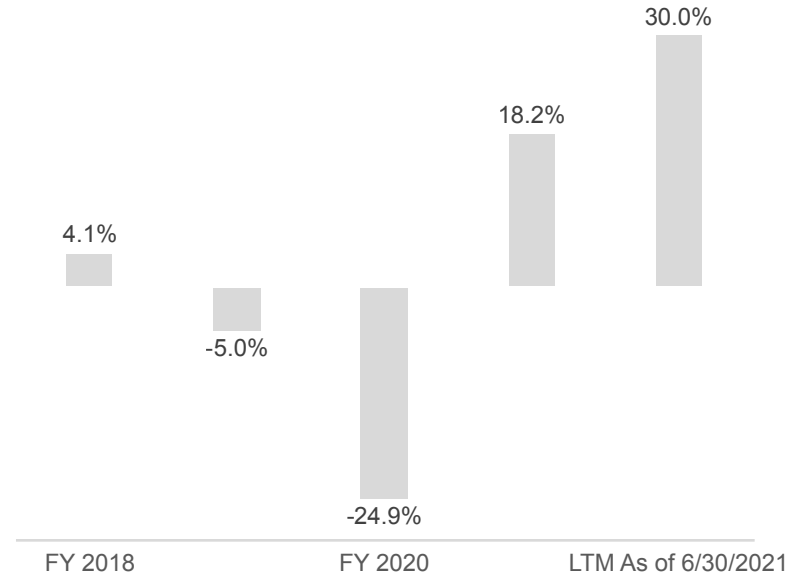
Net Sales

Fiscal Year Ended March 31
(\$ in millions)



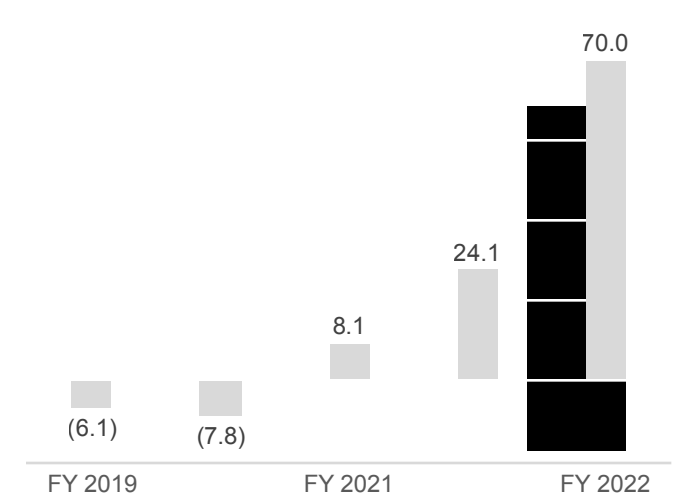
Gross Margin

Fiscal Year Ended March 31



Adjusted EBITDA²

Fiscal Year Ended March 31
(\$ in millions)



1. FY 2022 guidance provided in press releases on August 16, 2021, respectively.
2. Company did not report Adjusted EBITDA prior to FY 2019.

7 EXPERIENCED MANAGEMENT TEAM

Fred Wagenhals Chairman & Chief Executive Officer	Rob Goodmanson President	Rob Wiley Chief Financial Officer	Tod Wagenhals Executive Vice President
John Flynn Vice President	Mark Hanish President, Global Marketing	Susan Lokey CFO, GunBroker.com	Steve Verska Chief Technology Officer, GunBroker.com

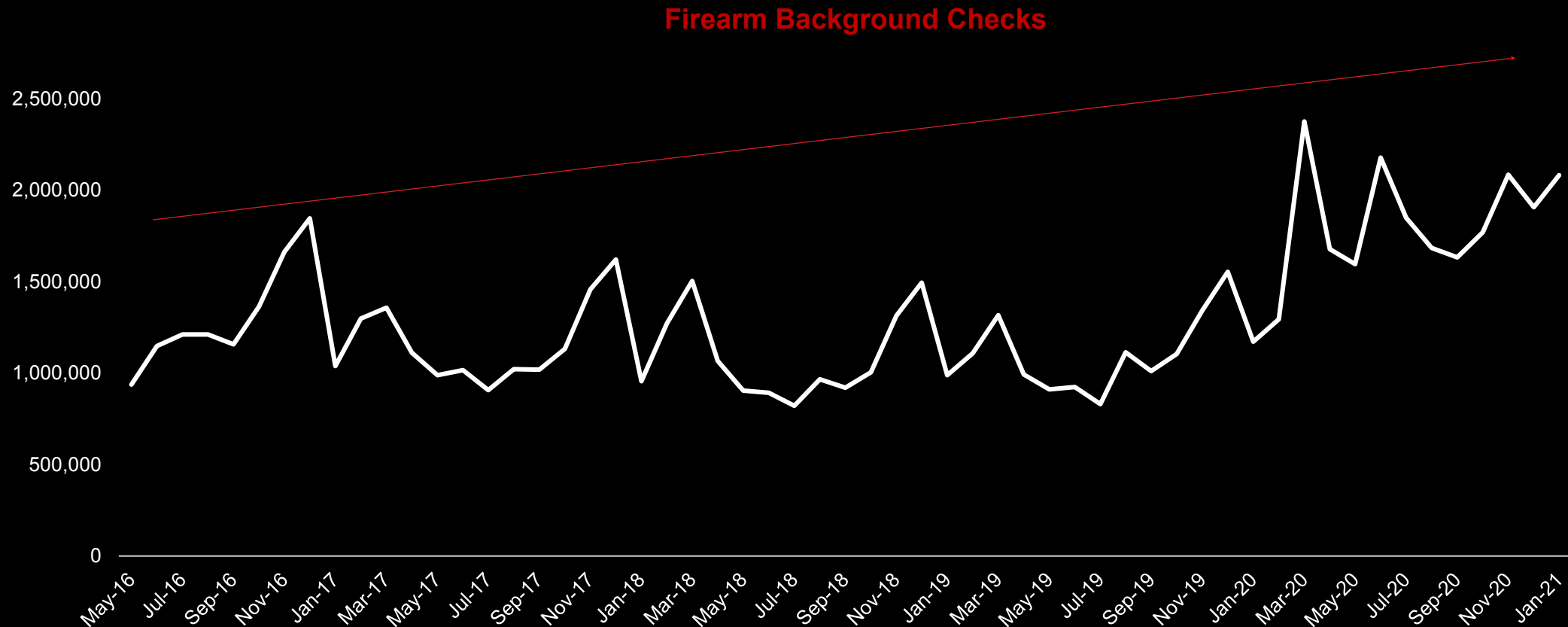


8

ATTRACTIVE INDUSTRY TAILWINDS

SIGNIFICANT GROWTH IN FIREARM BACKGROUND CHECKS

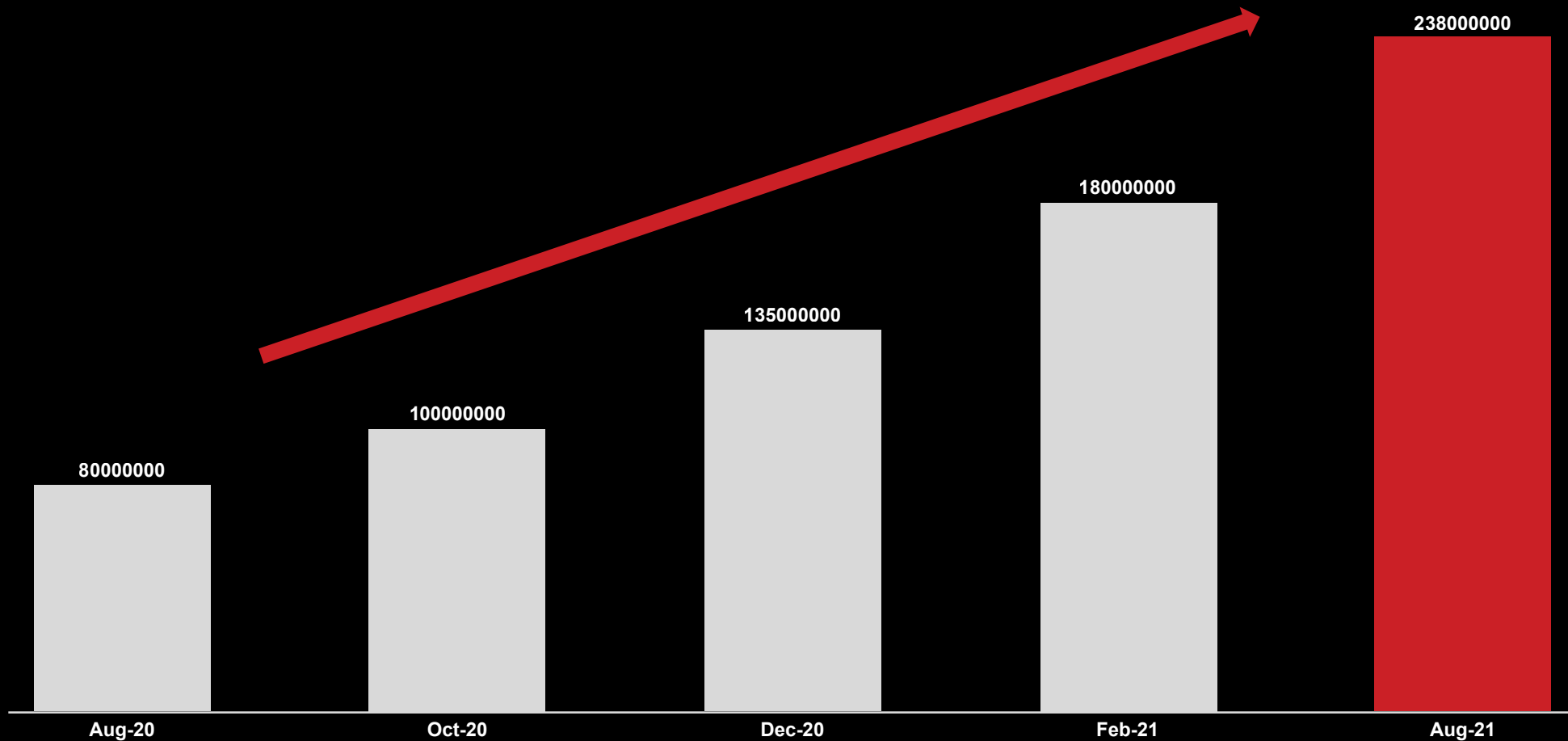
Firearm background checks, a leading indicator of gun sales, grew 61% year-over-year in 2020 and 78% year-over-year in January 2021



8 **STRONG MOMENTUM IN BUSINESS**

RAPIDLY GROWING BACKLOG

AMMO has grown its backlog approximately 200% in 12 months



8

ATTRACTIVE INDUSTRY TAILWINDS SURGING DEMAND FOR FIREARMS AND AMMUNITION

Feb. 3, 2021 at 4:05 p.m. PST

The Washington Post

Markets

Fearing violence and political uncertainty, Americans are buying millions more firearms

More than 2 million guns were sold in January, an 80% jump and the third-highest monthly total on record.

Dec 23, 2020, 07:15am EST | 23,759 views

Forbes

America's Pre-Biden Gun Spree Outstrips Supplies For AR-15s, Ammo

SGB MEDIA

Inside The Call: Ruger Scrambling To Refill Empty Firearms Shelves

Posted by SGB Media | Feb 18, 2021 | Feature, SGB Executive

02/04/2021 01:16 pm ET | Updated Feb 04, 2021

HUFFPOST

Record Firearm Background Checks In January Signal Massive Gun Sales

The FBI conducted more than 4.3 million firearm background checks last month as political tumult and transition took hold.

DULUTH News Tribune
CONNECTED • ENGAGED • ENTRUSTED

'Overwhelming demand', COVID-19 and politics lead to national ammunition shortage

The shortage is caused by a number of factors. Ammunition manufacturers have not been immune from the coronavirus pandemic, and the change in the presidential administration has some worried about stricter firearm laws.

Written By: Adam Kurtz | Jan 31st 2021 - 6am.

Vista Outdoor Announces Record FY21 Third Quarter Operating Results

Total Sales Increase 35%; Shooting Sports Sales Up 41%; Outdoor Products Sales Up 24%

Delivers Strong Free Cash Flow and Profitability; Leverage Ratio Improves to 0.9x

Announces Acquisition of Hevi-Shot Ammunition

VISTA
OUTDOOR

NEWS PROVIDED BY
Vista Outdoor Inc. →
Feb 04, 2021, 05:00 ET

8

STRONG MOMENTUM IN BUSINESS

RECENTLY ESTABLISHED SALES CALL CENTER

- ✓ **Began operations of sales call center on April 1, 2020**, responsible for calling and servicing the ~67,000 dealers with active federal firearms licenses
- ✓ Call center is **staffed with 10 full-time employees** being led by proven sales leader and industry veteran
- ✓ As of July 2020, the call center had generated **1,000 new customers with approximately \$80.1 million in booked orders**
- ✓ New customers represent **1,600+ retail stores and a significant e-commerce presence** from notable brands, including Rural King, DICK'S Sporting Goods, Cascade Farm and Outdoor, Shoot Point Blank and many other regional chains

8

SIGNIFICANT MILITARY OPPORTUNITY

CURRENT PROGRESS IN THE GLOBAL DEFENSE MARKET



Next Generation ammunition AP/HAPI™ and O.W.L. Technology™ for U.S. Military and Allied Forces



Demonstrated AP/HAPI™ and O.W.L. Technology™ to U.S. Special Forces and foreign allies

Samples of AP/HAPI™ and O.W.L. Technology™ delivered for testing by U.S. Military

(COVID Delayed)

Engaged to develop specialized rounds for Special Forces and conventional forces



Awarded State Law Enforcement Ammunition Contracts



Contract began shipping in the second half of 2019, making ammunition available for purchase by all agencies through the state contract



Compliant with current U.S. State Department and Department of Commerce statutes and regulations governing the lawful export of ammunition and munition components

8

SIGNIFICANT MILITARY OPPORTUNITY

MARKET PENETRATION STRATEGY

Launched in 2019 with Mission to Deliver High-Quality,
Precision Rounds for Military & Defense Operations Across the World

Introduce Proprietary Technologies



Strong demand for our superior brand of patented Armor Piercing (AP) and Hard Armor Piercing Incendiary (HAPI™) rounds that are made in America



Our patented One-Way Luminescent (O.W.L. Technology™) technology utilized in our STREAK products to provide competitive advantage in tactical and defense scenarios

Penetrate and Expand Market Share



Prove increased performance through demonstrations of lethality and accuracy



Offer lower-cost, made in America product lines by controlling component manufacturing costs



Ability to better meet increased market demands allows AMMO, Inc. to capture sales opportunities



Partner with strategic players and weapon manufacturers to expand product lines

APPENDIX

NON-GAAP FINANCIAL MEASURES

In addition to total net sales, net loss, and other results under generally accepted accounting principles (GAAP), the following information includes key operating metrics and non-GAAP financial measures we use to evaluate our business. We believe these measures are useful for period-to-period comparisons of the Company. We have included these non-GAAP financial measures in this presentation because they are key measures we use to evaluate our operational performance, produce future strategies for our operations, and make strategic decisions, including those relating to operating expenses and the allocation of our resources. Accordingly, we believe these measures provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and board of directors.

Adjusted EBITDA is a non-GAAP financial measure that displays our net loss, adjusted to eliminate the effect of certain items as described below.

We have excluded the following non-cash expenses from our non-GAAP financial measures: depreciation and amortization, loss on purchase, share-based compensation expenses, and changes to the contingent consideration fair value. We believe it is useful to exclude these non-cash expenses because the amount of such expenses in any specific period may not directly correlate to the underlying performance of our business operations.

Adjusted EBITDA as a non-GAAP financial measure also excludes other cash interest income and expense, as these items are not components of our core operations. We have not included adjustment for any provision or benefit for income taxes as we currently record a valuation allowance and have included adjustment for excise taxes.

Non-GAAP financial measures have limitations, should be considered as supplemental in nature, and are not meant as a substitute for the related financial information prepared in accordance with GAAP. These limitations include the following:

- Employee stock awards and stock grants expense has been, and will continue to be for the foreseeable future, a significant recurring expense in the Company and an important part of our compensation strategy;
- The assets being depreciated or amortized may have to be replaced in the future, and the non-GAAP financial measures do not reflect cash capital expenditure requirements for such replacements or for new capital expenditures or other capital commitments;
- Non-GAAP measures do not reflect changes in, or cash requirements for our working capital needs; and
- Other companies, including companies in our industry, may calculate the non-GAAP financial measures differently or not at all, which reduces their usefulness as comparative measures.

Because of these limitations, you should consider the non-GAAP financial measures alongside other financial performance measures, including our net loss and other financial results presented in accordance with GAAP.

INCOME STATEMENT

(\$ in millions)

	Fiscal Year Ended March 31,			Fiscal Quarter Ended June 30,
	2019	2020	2021	2021 (Unaudited)
Ammunition Sales	\$4.0	\$6.6	\$49.6	\$28.3
Casing Sales	0.6	8.2	12.9	3.9
Marketplace Revenue	-	-	-	12.3
Net Revenue	\$4.6	\$14.8	\$62.5	\$44.5
% YoY Growth	75.5%	223.7%	322.7%	360.4%
Cost of Sales	\$4.8	\$18.5	\$51.1	\$25.5
Gross Profit	\$ (0.2)	\$ (3.7)	\$ 11.4	\$ 19.0
% Margin	-5.0%	-24.9%	18.2%	42.6%
Operating Expenses	\$8.8	\$10.2	\$16.8	\$9.3
Operating Income	(\$9.0)	(\$13.8)	(\$5.4)	\$9.7
% Margin	-196.7%	-93.6%	-8.6%	
Interest Expense, Net	\$0.60	\$0.70	\$3.00	\$0.2
Other Expenses	2.1	-	(0.6)	(0.0)
Income Before Taxes	(\$11.7)	(\$14.6)	(\$7.8)	\$9.5
Taxes	\$0.0	\$0.0	\$0.0	\$0.0
Net Income	(\$11.7)	(\$14.6)	(\$7.8)	\$9.5
% Margin	-256.5%	-98.5%	-12.5%	21.4%
EBITDA Reconciliation				
Operating Income	(\$9.0)	(\$13.8)	(\$5.4)	\$9.7
Depreciation and Amortization	0.6	4.5	4.9	3.5
EBITDA	(\$8.4)	(\$9.4)	(\$0.5)	\$13.2
% Margin	-183.6%	-63.5%	-0.8%	29.3%
Adjusted EBITDA Reconciliation				
EBITDA	(\$8.4)	(\$9.4)	(\$0.5)	\$13.2
Adjustments	2.3	1.6	8.6	3.1
Adjusted EBITDA	(\$6.1)	(\$7.8)	\$8.1	\$16.3
% Margin	-134.1%	-52.7%	13.0%	36.7%

ADJUSTED EBITDA RECONCILIATION

(\$ in millions)

	Fiscal Year Ended March 31,			Fiscal Quarter Ended June 30,
	2019	2020	2021	2021
Adjusted EBITDA Reconciliation				(Unaudited)
EBITDA	(\$8.4)	(\$9.4)	(\$0.5)	\$13.2
Employee Stock Awards	1.2	0.9	1.5	0.7
Loss on Jagemann Munition Components	-	-	1.0	-
Excise Taxes	-	-	4.3	2.4
Contingent Consideration Fair Value	-	(0.2)	(0.1)	(0.1)
Stock and Warrants for Promissory Note Conversio	0.4	-	-	-
Stock Grants & Stock for Services	0.7	0.9	1.9	0.1
Adjusted EBITDA	(\$6.1)	(\$7.8)	\$8.1	\$16.3
% Margin	-134.1%	-52.7%	-0.9%	36.7%

BALANCE SHEET

(\$ in millions)

	As of		As of		As of		As of
	3/31/2020	3/31/2021	6/30/2021		3/31/2020	3/31/2021	6/30/2021
			(Unaudited)				(Unaudited)
Assets				Liabilities And Shareholders' Equity			
Current Assets				Current Liabilities			
Cash	\$ 0.9	\$ 118.3	\$ 51.0	Accounts payable	\$ 5.2	\$ 4.4	\$ 23.9
Accounts receivable	3.0	9.0	23.8	Factoring liability	2	2	1
Due from related parties	0.0	0.0	0.0	Accrued liabilities	1.6	3.5	3.8
Inventories	4.4	15.9	27.9	Inventory credit facility	-	1.1	0.3
Prepaid expenses	0.8	2.4	3.5	Current portion of contingent consideration payable	-	-	10.8
				Current portion of operating lease liability	0.4	0.7	0.9
Total Current Assets	9.2	145.6	106.2	Current portion of note payable related party	-	0.6	0.6
	-	-	-	Insurance premium note payable	0.3	0.0	1.3
Equipment, net	18.0	21.6	23.2	Note payable related party	0.4	-	-
	-	-	-	Convertible promissory notes, net	2.3	-	-
Long-Term Assets	-	-	-	Total Current Liabilities	12.2	12.1	42.7
Deposits	0.2	1.8	5.7	Long-term Liabilities:	-	-	-
Licensing agreements	0.1	0.0	0.0	Contingent consideration payable	0.7	0.6	0.5
Patents	6.5	6.0	5.9	Notes payable related party	5.8	0.9	0.7
Other intangible assets	3.6	2.2	146.5	Note payable	-	4.0	-
Goodwill	-	-	91.0	Operating lease liability, net of current	3.1	1.5	1.9
Right of use assets - operating leases	3.4	2.1	2.7	Total Long-term Liabilities	9.6	6.9	3.1
Total Long-term Assets	13.9	12.2	251.7	Total Liabilities	21.8	19.0	45.8
				Total Shareholders' Equity	19.3	160.3	335.3
				Total Liabilities And Shareholders' Equity	\$ 41.1	\$ 179.4	\$ 381.1
Total Assets	\$ 41.1	\$ 179.4	\$ 381.1				