



Parts and Platforms: Building the American Drone Industry

NYSE American: UMAC

Investor Presentation

July 2025

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “believe,” “may,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “could,” “target,” “potential,” “is likely,” “will,” “expect” and similar expressions, as they relate to us, are intended to identify forward-looking statements. These statements include: our expectation that: we will successfully clear any regulatory hurdles and consummate the acquisition of Rotor Lab and that the acquisition will accelerate Rotor Lab's ability to meet its mission, FAA rulemaking will enable dramatic growth in U.S. domestic market in 2027; regulatory and DoD procurement will provide for major immediate growth drivers, we will achieve continued organic growth of our retail business, our retail positioning will drive sales into the B2B and B2G market segments, our first deliveries of our drone motors will be shipped in late September 2025, we will be successful in building out our sales organization, and we will be successful in launching hardware and software for the domestic enterprise market. The results expected by some or all of these forward-looking statements may not occur.

Factors that affect our ability to achieve these results include the impact of and duration of the tariff policies, including (i) on the availability and cost of alternate supplies of drone parts, , (ii) on the economy, and (iii) the wars in Ukraine and Israel, as well as governmental delays, future interest rates, and our ability to enhance our existing products, develop new products and create new services for our customers and future customers, and the Risk Factors contained in our Form 10-Q, filed with the SEC on May 8, 2025, Prospectus Supplement filed with the Securities and Exchange Commission (the “SEC”) on March 6, 2025 and in our Form 10-K for the year ended December 31, 2024. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Any forward-looking statement made by us herein speaks only as of the date on which it is made. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.





INVESTMENT HIGHLIGHTS

Targeting specific segments of the drone industry

- Retail FPV Sales
- Enterprise Drone Components

Strong demonstrated growth and health financial profile

- Each quarter has had increasing revenues with 59% year over year growth for Q1 2025
- B2B business has launched– 3 Blue Framework products and B2B revenue is up 3.5x from H1 to H2 2024
- Approx. \$40M cash on hand – no debt

Legislation Driving near and long-term opportunities

- Recent U.S. legislation is creating a U.S. drone market that has historically been dominated by Chinese companies
- The global conflicts are creating a government urgency to quickly invest in and build a domestic supply chain from components to finished drones and drone software
- FAA rulemaking will enable dramatic growth in U.S. domestic market in 2027
- Recent Executive Orders should open more U.S. Government money for the industry

US-based development and assembly provides a strong competitive advantage

- Signed lease on a 17,000 sq ft motor manufacturing facility in Orlando, FL
- Acquisition of Rotor Lab to expand and accelerate motor production
- Made-in-USA extremely attractive amid national security concerns and tariffs
- Regulatory and DoD procurement provide for major immediate growth drivers
- Launched multiple US-made and NDAA compliant approved for BLUE UAS Framework

COMPANY GROWTH AND STRATEGY

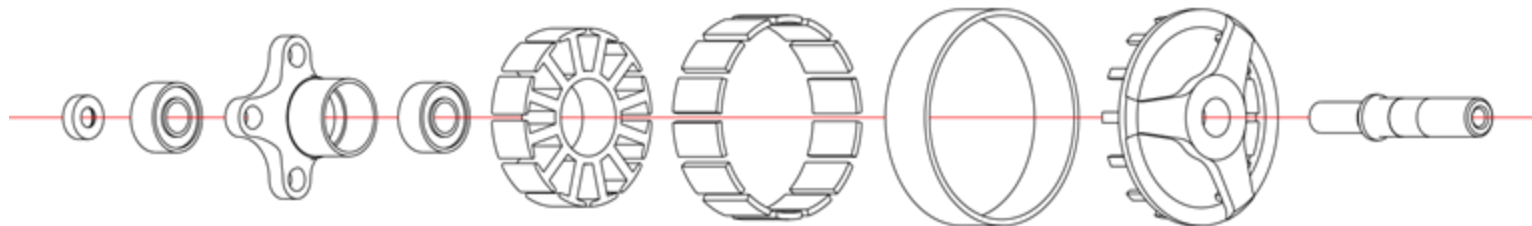
Strong B2C Foundation: Unusual Machines has hardware brands (Rotor Riot and Fatshark) that have a loyal consumer following. This creates a strong brand equity foundation to build upon.

B2C delivers R&D and Market Insights: Consumer products act as an amazing testbed for the technologies. Retail products drive brand recognition and customer “buzz” as enterprise buyers keep a pulse on consumer channels.

Growth Strategy:

- Continued organic growth of our retail businesses
- Accelerate onshoring of Blue Framework and NDAA compliant drone components
- Use retail positioning to drive sales into the B2B and B2G market segments
- Scale motor production and sales

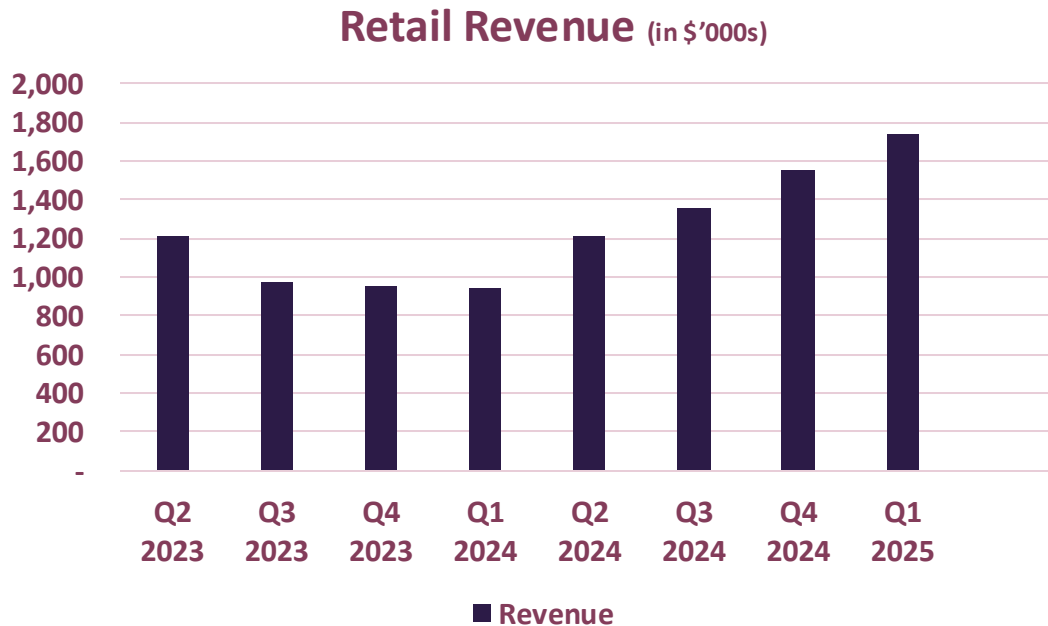
Acquisitions: Continue to pursue targeted acquisitions the accelerate growth in key segments



1. We have agreed to enter into a five year non-compete agreement which precludes us from selling drones directly to the U.S. Department of Defense without Red Cat Approval

RETAIL BUSINESS

- Rotor Riot is at the center of the high-performance drone market and has a large following of FPV drone pilots
- Online store with drone parts and ready-to-fly drones are featured in Rotor Riot's extensive media
- Components are already sold at scale to a wide range of customers



283K+

YouTube Subscribers

90K+

Social Media Followers

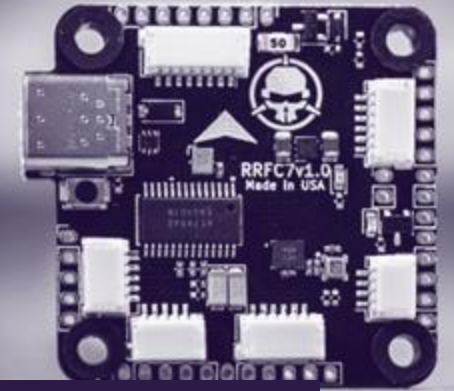
159K+

Unique Registered Customers

As of June 2025

HARDWARE COMPONENTS

- In the last six months - 3 critical Components joined DIU Blue Framework (Flight Controller, Motor Controller, Camera) with more in development
- Last six months of sales indicate revenue from enterprise sales has grown nearly 3.5x from before the launch. Enterprise revenue now accounts for approximately 13% of our total revenue.
- Currently building our a 17,000 sqft U.S. drone motor factory with first deliveries expected in late September
- Acquisition of Rotor Lab to expand and accelerate our motor production



FLIGHT CONTROLLER



ELECTRONIC SPEED CONTROLLER



ANALOG CAMERA

MOTOR PRODUCTION

Critical Demand: Unusual Machines is establishing domestic production of high-performance drone motors to reduce reliance on foreign suppliers.

U.S. Facility:

- Orlando, FL – 17,000 sq ft facility
- Production Start: September 2025
- Initial Focus: 2207, 2807, 3220 class motors (5", 7", 10" prop sizes)

Acquisition of Rotor Lab:

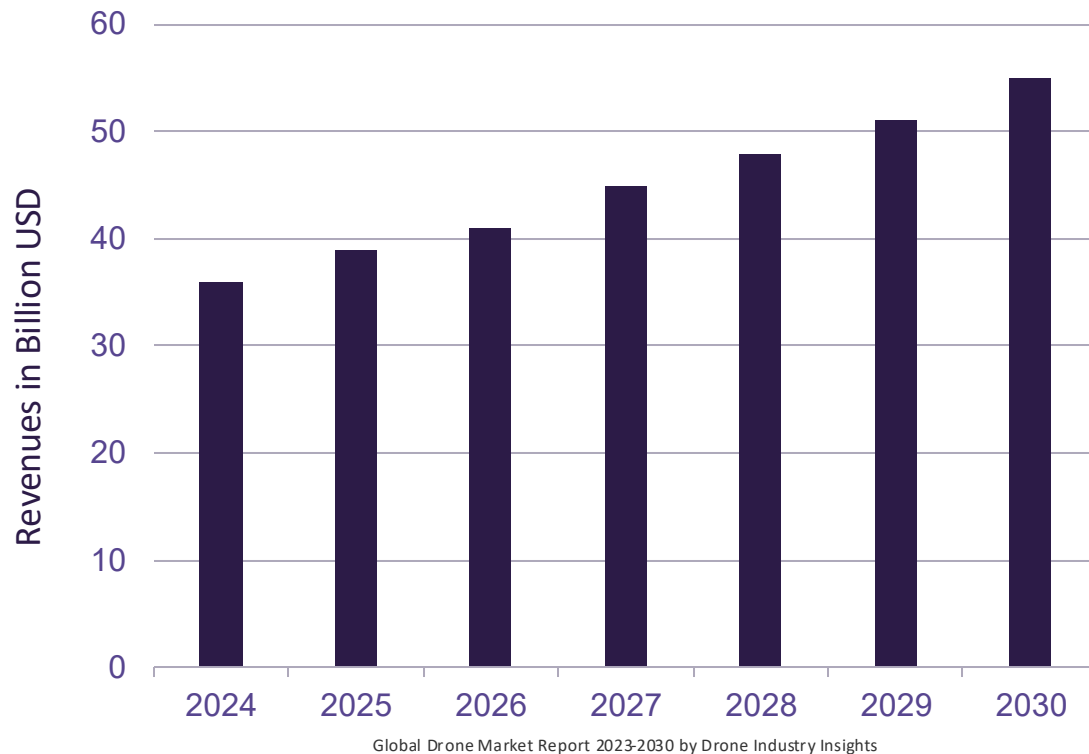
- Signed definitive agreement to acquire Rotor Lab, an Australia-based motor developer and manufacturer
- Expected to close in Q3 2025, subject to customary closing conditions
- Provides proven engineering expertise and established international sales channels and customer relationships



Dual Head Flyer Stator Winding Machine

MARKET OPPORTUNITY

Drone Market Size and Forecast 2024-2030



1. Global Drone Market Report 2023-2030 by Drone Industry Insights
2. Allied Market Research Drone Flight Controller System Market Size, Share, Competitive Landscape and Trend Analysis Report 2023-2032
3. Allied Market Research Drone Motor Market Size, Share, Competitive Landscape and Trend Analysis Report 2021-2031
4. Ukraine to produce one million drones next year, Zelenskyy says: <https://www.reuters.com/world/europe/ukraine-produce-one-million-drones-next-year-zelenskyy-says-2023-12-19/>
5. U.S. Drone Act Proposal: [https://www.congress.gov/bills/118/congress/118th-congress/senate-bills/473/all-info#:~:text=Introduced%20in%20Senate%20\(02%2F16%2F2023\)&text=This%20bill%20bans%20the%20procurement,control%20by%20China%2C%20with%20exceptions.](https://www.congress.gov/bills/118/congress/118th-congress/senate-bills/473/all-info#:~:text=Introduced%20in%20Senate%20(02%2F16%2F2023)&text=This%20bill%20bans%20the%20procurement,control%20by%20China%2C%20with%20exceptions.)



U.S. Drone market expected to be \$31.34B by 2034 (CAGR ~17%) with \$4B for UTM software by 2030

The drone flight control system market, valued at \$15.53B in 2021, is projected to reach \$28.86B by 2031 ²

The drone motor market size was valued at \$2.6B in 2021 and is projected to reach \$9.9B by 2031 ³

There is legislation aimed at enhancing the U.S.'s competitiveness in emerging technologies like drones and reducing dependence on tech imports, particularly from China ⁵.

U.S. DRONE LANDSCAPE

DIU BLUE COMPONENT SUPPLIERS



BLUE DRONE MANUFACTURERS



OTHER MANUFACTURERS



SOFTWARE AND SERVICE PROVIDERS





U.S. ONSHOREING:

RECENT AND PROPOSED LEGISLATION PRESENTS A MULTI-BILLION DOLLAR US MARKET

AMERICAN SECURITIES DRONE ACT (2023)

- Prohibits the use or purchase of Chinese-manufactured drones by government agencies and contractors

NATIONAL DEFENSE AUTHORIZATION ACT (2025)

- China is designated as a "covered foreign entity"
- A ban has been imposed on drones manufactured by DJI, Autel, and parts by T-motor
- The U.S. Government is prohibited from purchasing drones that contain critical components manufactured in China,

TARIFFS (2025)

- The U.S. increased tariffs on suppliers from China from an effective rate of 15% to 30% - we have been onshoring so this is a competitive cost advantage for our retail and enterprise sales

COUNTERING CCP DRONES ACT (2025)

- Prohibits the use of drones by entities associated with the Chinese Communist Party (CCP) by banning DJI from FCC approvals
- Establishes a rigorous vetting process for drone technology used in national security contexts.
- Encourages the development and adoption of domestically produced drones to reduce reliance on foreign technology.

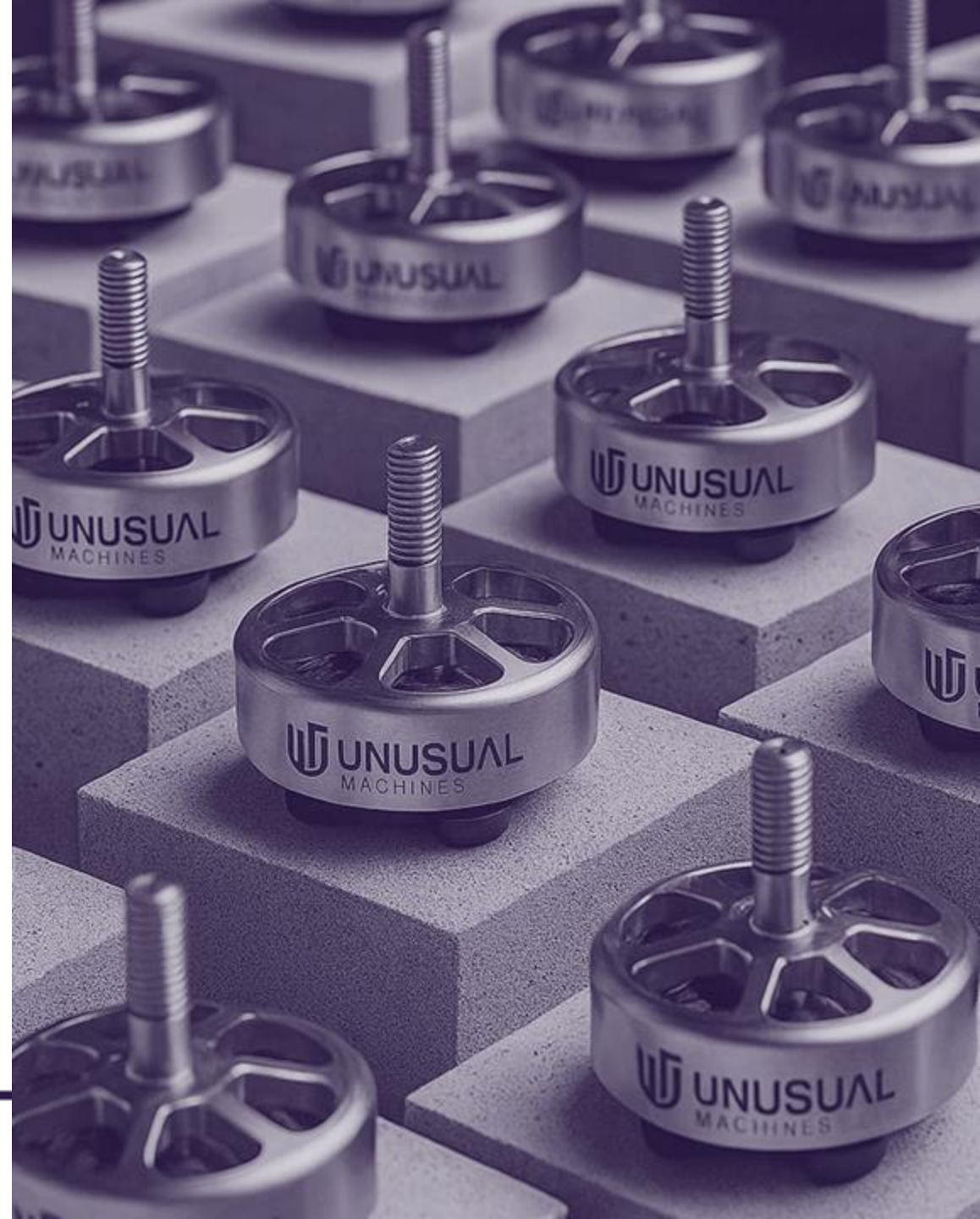
STRATEGIC ROADMAP

Near-Term:

- Expand product offering and B2B Hardware Sales
- Build out U.S. drone motor production capabilities
- Close acquisition of Rotor Lab
- Add to the team and build out a sales organization

Longer-Term:

- Continue to develop and support Blue Framework components that meet requirements for our customers in the defense market
- Launch integrated Hardware and Software for the domestic enterprise market based on our customers needs





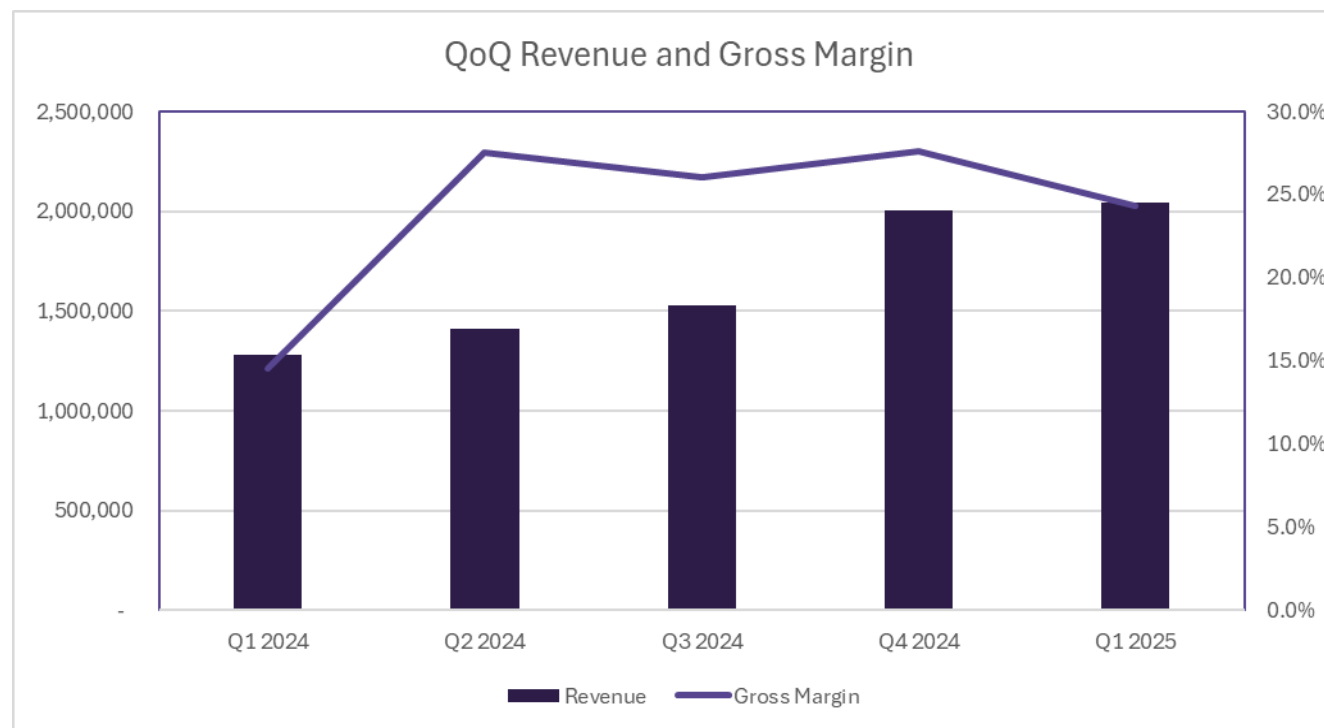
FINANCIAL STRENGTH AND CASH MANAGEMENT

Revenue Growth:

- Continued revenue growth quarter over quarter
- 59% revenue growth for Q1 2025 as compared to prior year
- Slight margin decline in Q1 related to tariffs

Cash and Cash Burn:

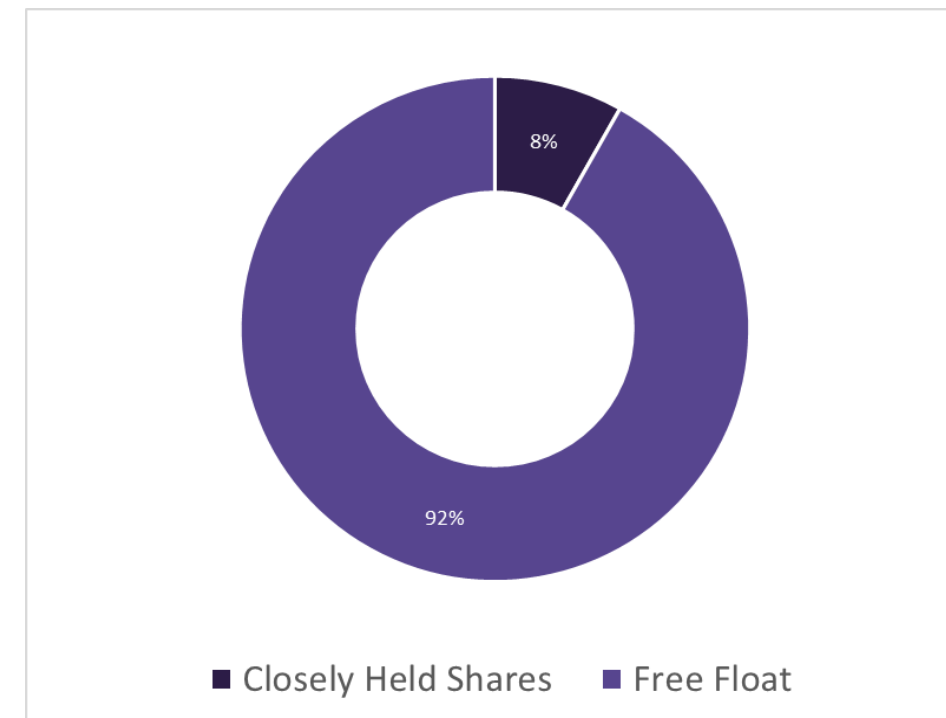
- Current cash balance approx. \$40M after May 2025 public offering and after
- No debt
- Operational cash burn is around \$850K per quarter with an increase expected as we build up our motor production facility and add additional staff





CAPITALIZATION TABLE¹

Common Stock:	
Closely Held Shares ²	2,050,162 shares
Common Shares – Free Float	23,062,624 shares
Total Common Shares	25,112,786 shares
Rotor Lab estimated shares ³	557,881 shares
Pro forma Common Shares w/ Rotor Lab	25,670,667 shares
Other Equity:	
PIPE Warrants – insiders (\$1.99 strike)	164,473 shares
May 2025 Public Offering Warrants (\$5.00 strike)	640,000 shares
IPO Warrants (\$5.00 strike)	8,500 shares
EIP Issuances	462,850 shares



1. As of June 25, 2025
2. Includes Management and Board Ownership
3. Pro Forma includes the estimated shares related to the Rotor Lab acquisition for the initial consideration only

LEADERSHIP



Dr. Allan Evans, Chief Executive Officer

Chief Executive Officer. Previously served as Chief Operating Officer at Red Cat (Nasdaq: RCAT) and CEO of Fat Shark. His career includes board membership at Ballast Technologies and co-founding Avegant. His expertise spans new technologies, engineering, business development, and corporate strategy.



Brian Hoff, Chief Financial Officer

Chief Financial Officer. Brings extensive experience in leading high growth accounting & finance teams at companies including Auddia, Inc. (Nasdaq: AUUD), STACK Infrastructure, and Coalfire.



Drew Camden, Chief Operating Officer

Chief Operating Officer. As President of Rotor Riot from 2018, Camden expanded into media and e-commerce, established a headquarters in Orlando, and launched a successful FPV drone line. This leadership resulted in Rotor Riot's acquisition by Red Cat Holdings in 2020, with the company achieving a 50% average yearly revenue growth under his direction.



Sanford "Sandy" Rich, Director

Chair Audit Committee. Executive Director of the NYC Board of Education Retirement System. Sandy is an SEC audit committee financial expert, a member of the Investor Advisory Group of the PCAOB, and has served as both CEO and CFO of public and private companies.



Jeff Thompson, Director

CEO and Chairman Red Cat Holdings (NASDAQ: RCAT). Thompson is a serial tech entrepreneur who has led companies from the startup phase to successful exits and IPOs.



Cristina A. Colon, Director

Chair Governance Committee. She is an attorney currently admitted to practice federal law and state law in the District of Columbia and Florida. She is the CEO of Cinmarc, a multi-faceted consulting firm working with public housing authorities and local governments.



Robert Lowry, Director

Chair Comp Committee. Over 38 years of business experience in the financial and securities industries. Degrees in Economics and Finance and a Certified Financial Planner with series 63, series 7 licenses.



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