



OTCQB: DFCO

Fiscal 2024

Q2 2024

Earnings Presentation

[Dalrada.com](http://Dalrada.com)

# Company Overview



Dalrada drives innovation that positively impacts people, businesses, and the planet. The company owns and operates a global group of health care, clean energy, precision manufacturing, and technology companies that identify, address, and deliver solutions to economic, environmental, and efficiency problems facing the public, government, and private sectors.



**Genefic** delivers an exciting core of frontline health products and services that meet the world's demands of today and tomorrow. Dedicated to creating improved health outcomes through redesigned systems and reimagined patient care, **Genefic** offers total health solutions through distinctive offerings.



**Dalrada Climate Technology (DCT)** is revolutionizing the global clean energy industry through state-of-the-art products—like heat pumps—that help build a sustainable energy future. DCT's unique solutions reduce energy consumption and minimize carbon footprints, increase operational efficiencies, and lower energy costs for clients around the world.



**Dalrada Precision Manufacturing (DPM)** meets today's critical manufacturing needs and provides high-quality parts and components solutions. Additionally, DPM improves time-to-market capabilities and solves the world's biggest manufacturing and supply chain challenges as a specialized service provider committed to delivering improved efficiencies.



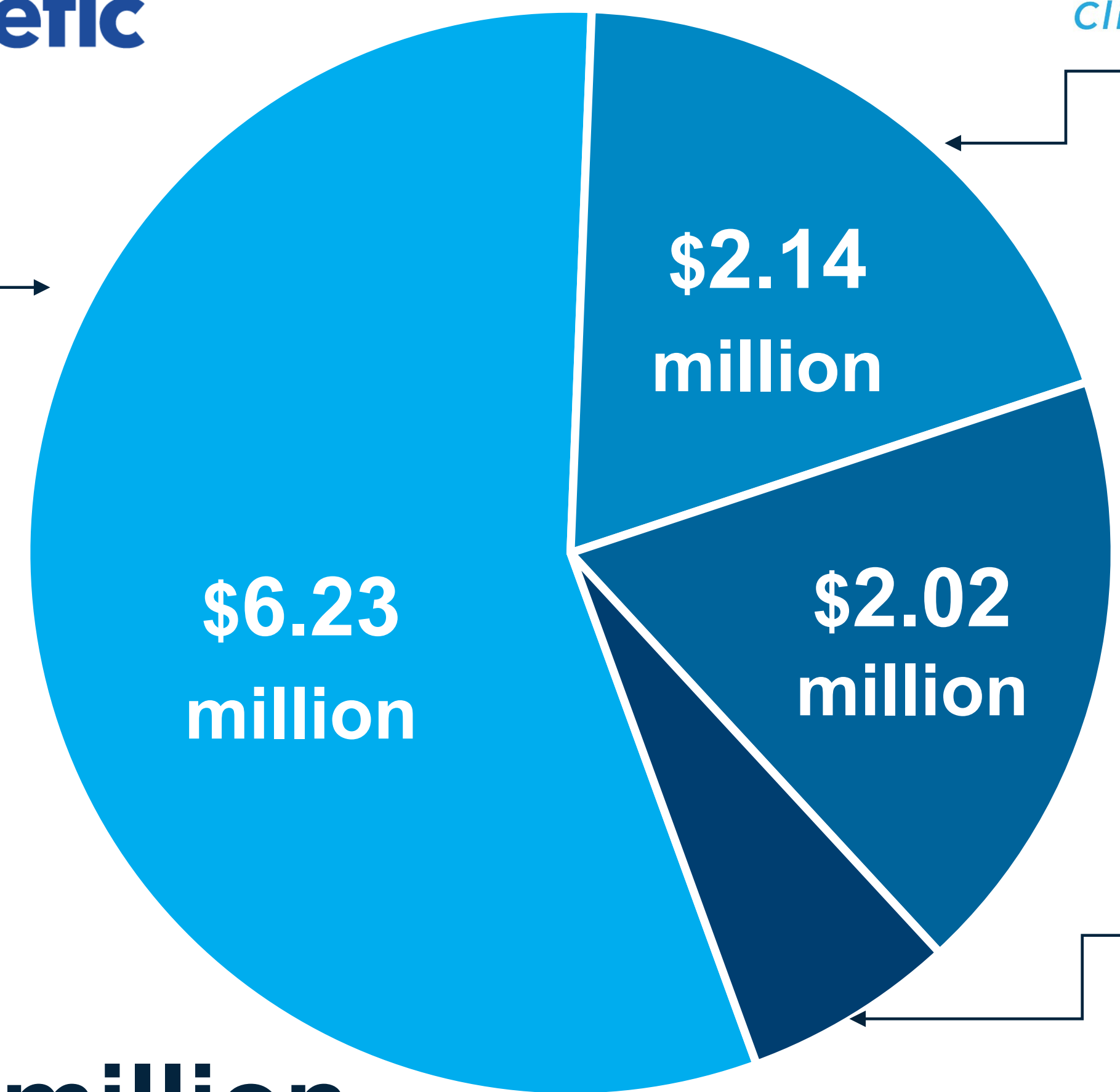
**Dalrada Technologies** is a proud creator of digital engineering that eclipses standard capabilities. Through next-generation B2B and B2C digital products and services, **Dalrada Technologies** connects the world through cutting-edge software programming, modernized applications, and robust IT products specifically tailored for the digital age.



# Fiscal Year 2024 Revenue Breakdown

 **Genefic**

**DALRADA**  
Climate Technology



**DALRADA**  
PRECISION MANUFACTURING

**DALRADA**  
TECHNOLOGIES

Total:  
**\$11.1 million**

**\$.7 million**

# Q2 2024

## Financial Highlights



TOTAL COST OF REVENUE:

**\$4.1 million**



TOTAL CONSOLIDATED  
SALES, GENERAL, AND  
ADMINISTRATIVE COSTS:

**\$6.2 million**



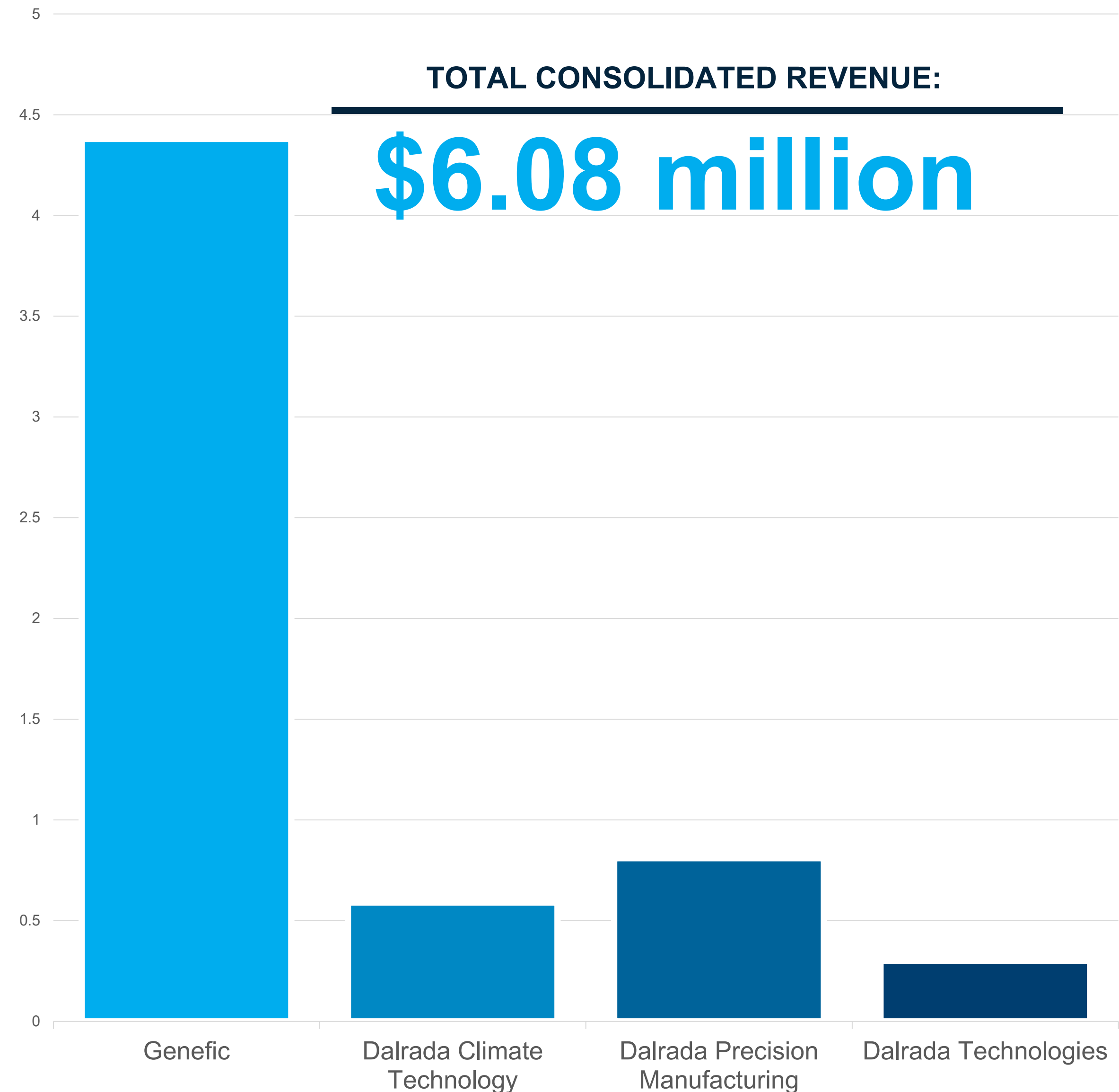
TOTAL CONSOLIDATED  
LOSS OF OPERATIONS:

**\$4.2 million**



LOSS PER SHARE (EPS):

**\$ - .06**



# Product Spotlight:

## Dalrada Climate Technology Heat Pump (DCT ONE Series)

*State-of-the-art climate technology that combines unrivaled energy efficiency with an extremely low environmental impact.*

- ✓ Internationally-recognized heat pump solution that supports global Net Zero initiatives.
- ✓ U.S. General Services Administration & Department of Energy-identified “green building technology.”

The Dalrada’s commercial heat pump is the **only** CO<sub>2</sub>-based heat pump that delivers **simultaneous heating and cooling** without combustion or the burning of fossil fuels. It’s the perfect replacement for outdated and inefficient water heaters, steam boilers, chillers, and cooling towers.

### Why DCT ONE Series?

- **Long-Term Cost Savings:** lower energy bills through reduced consumption.
- **Increased Energy Efficiency:** advanced technology and climate-agnostic design.
- **Comfort and Convenience:** better temperature control with real-time reporting.
- **Less Environmental Impact:** lower emissions and reduced carbon footprint.
- **Rebates and Incentives:** increased eligibility for reduced overall costs.

### Signed, Sealed, (almost) Delivered:

Dalrada Climate Technology has secured a backlog of **international contracts** worth approximately **\$900 million**:

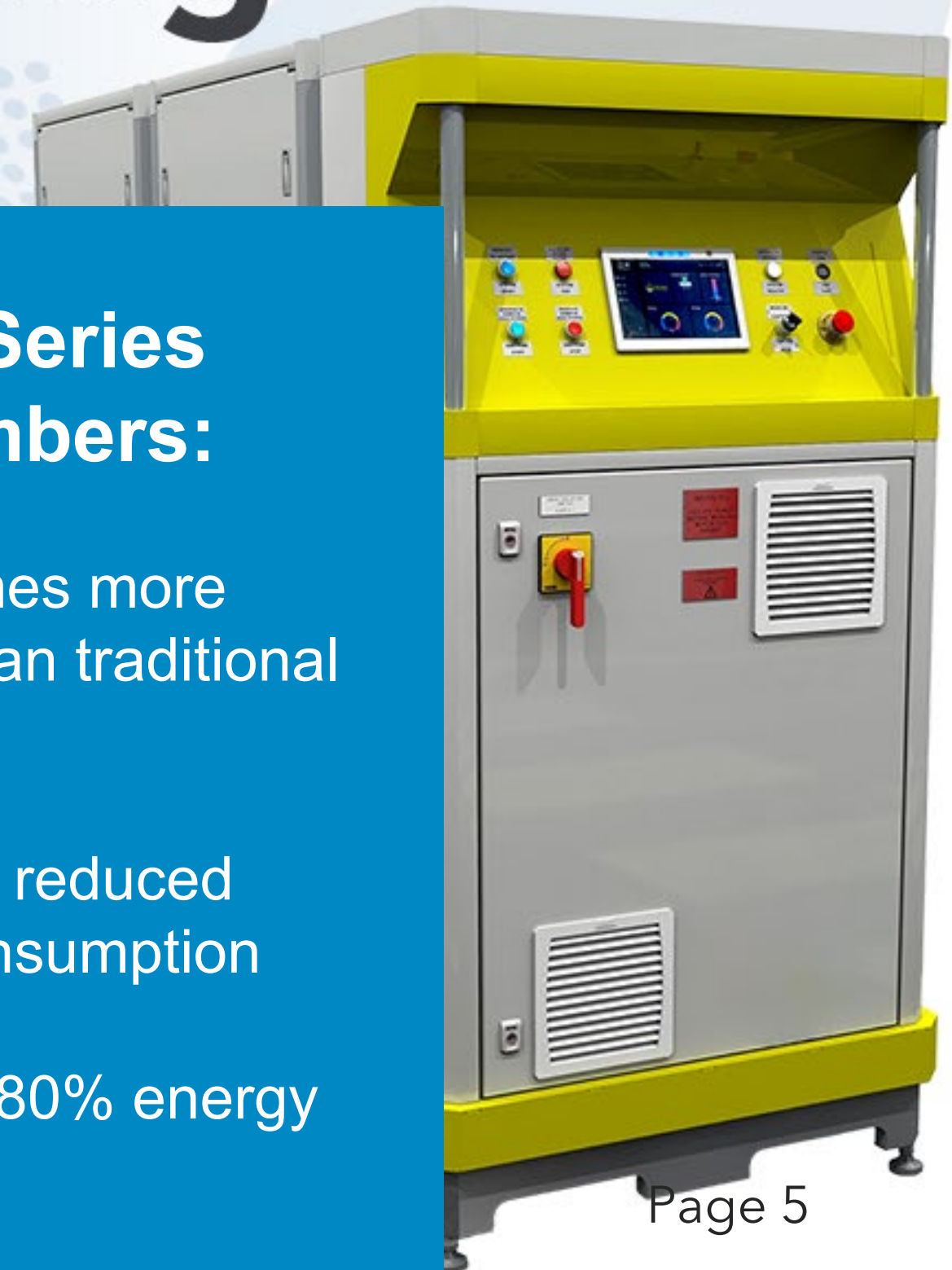
- ✓ **2,300**-heat pump contract with JBS Consulting, a Paris-based distributor (5-year contract length).
- ✓ **4,500**-heat pump contract with Crown Glory Holding, a Morocco-based global distributor (7-year contract length).

DECARBONIZING SOLUTIONS

# Cost-Effective Heating & Cooling

### DCT ONE Series by the Numbers:

- ✓ Up to 7 times more efficient than traditional systems
- ✓ Up to 75% reduced energy consumption
- ✓ Up to 60– 80% energy savings



# Subsidiary Spotlight:

## Genefic Specialty Pharmacy

*Enhanced patient support through prescriptions, medical education, advocacy, and increased transparency.*

**Genefic Specialty Pharmacy** offers a pharmacy experience like no other: a nationally-recognized and certified local pharmacy with a global reach, delivering modern services for a busy world. As a full-service provider, they are redefining personalized healthcare in a way that's educational and transparent for patients and medical staff alike.

In addition to basic pharmacy services, **Genefic Specialty Pharmacy** provides enhanced prescription management, comprehensive and ongoing wellness education, and complete medical assistance for a variety of health conditions.

### Expanded Service Offerings:

- Medical condition education
- Diabetes care
- Durable medical equipment (DME)
- Health screenings
- Home delivery
- Immunizations
- Medication therapy
- Wellness classes

### Core Values:

- Advocate on behalf of patients
- Facilitate patient education
- Improve patient lives daily
- Create transparency between patients and staff
- Employ highly-trained, ethical pharmacists and technicians



**Redefining  
the modern  
pharmaceutical  
experience.**

# Subsidiary Spotlight:

## Dalrada Precision Manufacturing

*Meeting the critical quality of today's advanced machining and manufacturing needs for global industries.*

**Dalrada Precision Manufacturing** responds to consumer challenges with in-house design, engineering, and distribution through an efficient supply chain and improved time-to-market capabilities.

The subsidiary exceeds the standard of quality of today's advanced products in a variety of industries, including semiconductors, automotive, aviation, biotechnology, pharmaceuticals, and clean energy.

- OEM & custom precision parts
- Clean energy technology & machinery
- Semiconductor & microchip technology
- Industrial-strength cleaners & degreasers

### Key Components

- Design and development
- In-house solutions
- Global supply chain
- Engineering excellence

**A total end-to-end  
manufacturing  
solution delivering  
high-quality  
components.**

**DALRADA**  
PRECISION MANUFACTURING

# Subsidiary Spotlight:

## Dalrada Technologies

*Next-generation digital products and services that connect the world through integrated technological solutions.*

**Dalrada** creates a suite of B2B and B2C solutions through a global development team of technology and digital engineering experts.

With hyper-personalized, web 3.0 solutions that eclipse standard digital engineering capabilities, **Dalrada** offers advanced software programming, modernized applications, and robust IT products and services specifically tailored for the digital age.

### Future-Facing Science

- Software engineering and testing
- Application modernization
- Advanced digital ecosystems
- Digital twinning and machine learning
- Artificial intelligence
- Metaverse and virtual reality

### Modern Results

- Better user experiences
- Increased data security
- Improved accuracy
- Safer digital experiences
- Inclusive environments
- Efficient communications

**Digital  
engineering that  
transcends  
traditional  
capabilities.**

**DALRADA**  
TECHNOLOGIES




# Metrics – Q2 vs. Q1 2024

Revenue Increase

**\$1.1 million**

**increase of 21.1%**

## Q2 2024 OVER Q1 2024 HIGHLIGHTS:

	<b>GROSS MARGIN</b>	<b>+106.2%</b>	<b>\$1.0 million</b>
	<b>SALES, GENERAL, AND ADMINISTRATIVE EXPENSES *</b>	<b>+5.6%</b>	<b>\$0.3 million</b>
	<b>OPERATING LOSS *</b>	<b>-19.1%</b>	<b>\$0.8 million</b>


\* Excludes stock-based compensation of \$1,018,827 and \$1,109,642 for the three months ended December 31, 2023 and September 30, 2023, respectively.

# Metrics – Q2 2024 vs. Q2 2023

Revenue Increase

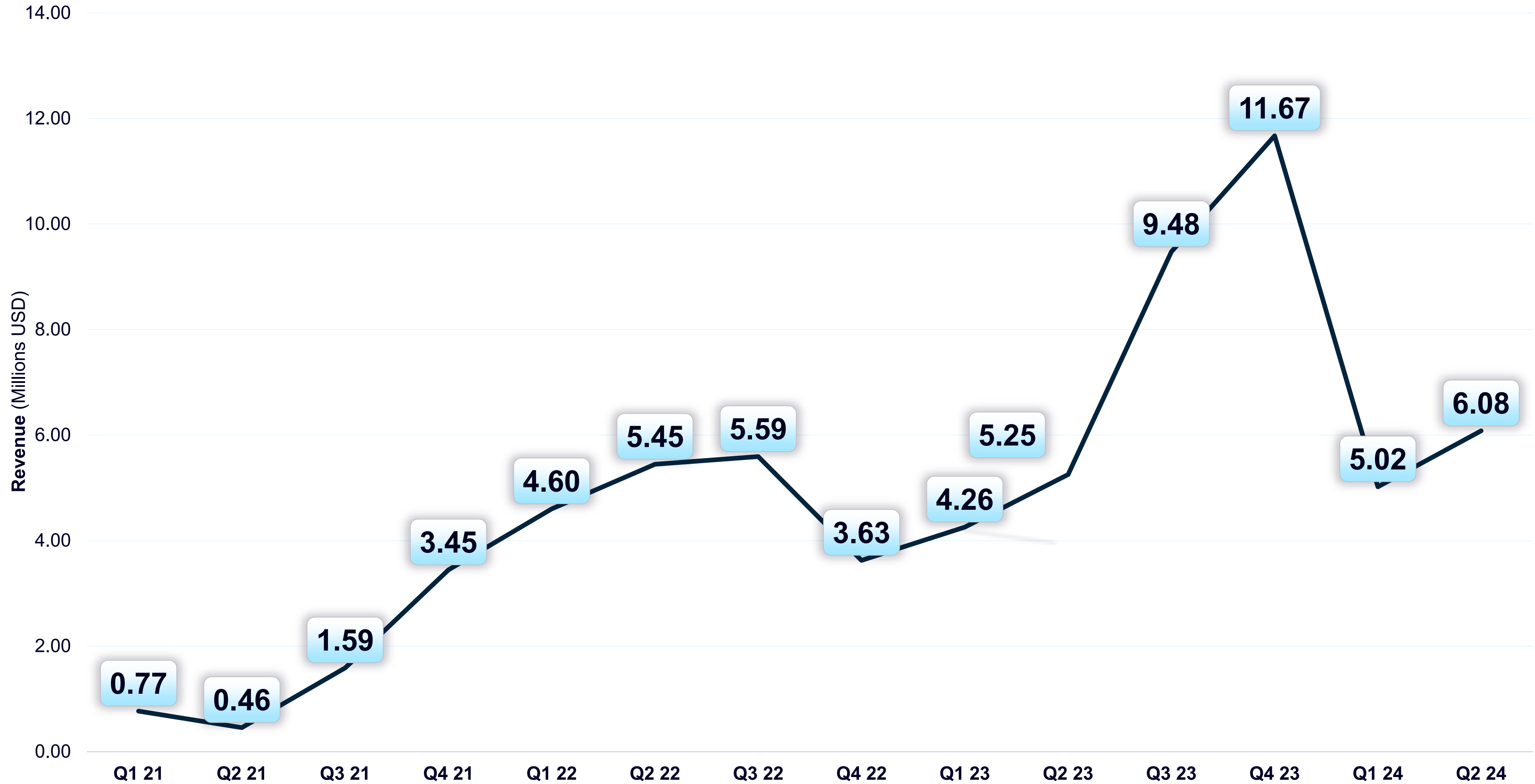
**\$.825 million** | increase of **15.7%**

## Q2 2024 OVER Q2 2023 HIGHLIGHTS:

	GROSS MARGIN	<b>-12.9%</b>	<b>\$0.3 million</b>
	SALES, GENERAL, AND ADMINISTRATIVE EXPENSES *	<b>-15.7%</b>	<b>\$1.0 million</b>
	OPERATING LOSS *	<b>-17.4%</b>	<b>\$0.7 million</b>

\* Excludes stock-based compensation of \$1,018,827 and \$901,721 for the three months ended 2023 and 2022, respectively.

# Dalrada Revenue (Fiscal 2021-2024)



# Unaudited Consolidated Statements of Operations

	Three Months Ended December 31,		Six Months Ended December 31,	
	2023	2022	2023	2022
Revenues	\$ 5,859,240	\$ 4,603,878	\$ 9,980,866	\$ 8,776,127
Revenues - related party	218,522	649,242	1,114,976	734,760
Total revenues	6,077,762	5,253,120	11,095,842	9,510,887
Cost of revenues	4,076,002	2,955,132	8,123,224	5,311,460
Gross profit	2,001,760	2,297,988	2,972,618	4,199,427
Operating expenses:				
Selling, general and administrative (includes stock-based compensation of \$1,018,827 and \$901,721 for the three months and \$2,128,469 and \$1,369,238 for the six months ended 2023 and 2022, respectively)	6,227,434	7,080,077	12,270,088	11,937,694
Total operating expenses	6,227,434	7,080,077	12,270,088	11,937,694
Loss from operations	(4,225,674)	(4,782,089)	(9,297,470)	(7,738,267)
Other income (expense):				
Interest expense	(213,960)	(1,220,603)	(327,153)	(1,892,730)
Interest income	20,884	22,826	40,127	41,895
Other income	(1,023,079)	(444,699)	(688,699)	(106,622)
Gain on expiration of accrued tax liability	-	2,037,712	-	2,090,978
Gain (loss) on foreign exchange	1,649	(95,312)	(5,121)	(47,595)
Total other income (expense), net	(1,214,506)	299,924	(980,846)	85,926
Loss before taxes	(5,440,180)	(4,482,165)	(10,278,316)	(7,652,341)
Income taxes	-	-	-	-
Net loss	(5,440,180)	(4,482,165)	(10,278,316)	(7,652,341)
Other comprehensive loss				
Foreign currency translation	(39,026)	(34,129)	46,182	29,633
Comprehensive loss	\$ (5,479,206)	\$ (4,516,294)	\$ (10,232,134)	\$ (7,622,708)
Net income (loss) attributable to noncontrolling interests	(33,982)	(69,147)	(55,876)	378,466
Net loss attributable to Dalrada Financial Corporation stockholders	\$ (5,406,198)	\$ (4,413,018)	\$ (10,222,440)	\$ (8,030,807)
Net loss per common share to Dalrada stockholders - basic	\$ (0.06)	\$ (0.05)	\$ (0.11)	\$ (0.10)
Net loss per common share to Dalrada stockholders - diluted	\$ (0.06)	\$ (0.05)	\$ (0.11)	\$ (0.10)
Weighted average common shares outstanding — basic	89,962,164	84,437,801	89,120,328	80,721,783
Weighted average common shares outstanding — diluted	89,962,164	84,437,801	89,120,328	80,721,783

# Unaudited Consolidated Balance Sheet

	December 31, 2023	June 30, 2023
	<i>(Unaudited)</i>	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 598,438	\$ 812,806
Accounts receivable, net	5,488,915	4,453,104
Accounts receivable, net - related parties	928,648	752,348
Other receivables	1,240,009	376,604
Inventories	2,569,843	2,078,692
Prepaid expenses and other current assets	668,877	1,343,491
Total current assets	<u>11,494,730</u>	<u>9,817,045</u>
Long-term receivables	20,141	41,722
Long-term receivables - related parties	1,155,479	1,173,893
Property and equipment, net	1,623,011	1,476,082
Goodwill	3,803,147	3,803,147
Intangible assets, net	3,654,823	3,858,086
Right-of-use asset, net	2,714,198	2,771,854
Right-of-use asset, net - related party	1,960,494	2,227,286
Total assets	<u>\$ 26,426,023</u>	<u>\$ 25,169,115</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 5,554,117	\$ 5,178,897
Accrued liabilities	920,159	1,084,008
Accounts payable and accrued liabilities – related parties	5,029,683	547,949
Deferred revenue	938,823	1,337,259
Notes payable, current portion	439,562	439,562
Notes payable, current portion – related parties	-	251,605
Right-of-use liability	757,569	660,394
Right-of-use liability - related party	536,265	519,791
Total current liabilities	<u>14,176,178</u>	<u>10,019,465</u>
Long-term payables	33,893	48,888
Notes payable	2,414,936	1,011,395
Notes payable – related parties	4,834,971	1,648,478
Contingent consideration	4,402,394	4,285,389
Right-of-use liability	2,027,911	2,160,834
Right-of-use liability - related party	1,467,407	1,741,830
Total liabilities	<u>29,357,690</u>	<u>20,916,279</u>
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Series I preferred stock, \$0.01 par value, 100,000 shares authorized, 35,108 shares issued and outstanding as of December 31, 2023 and June 30, 2023, respectively	351	351
Series H preferred stock, \$0.01 par value, 15,002 shares authorized, issued and outstanding as of December 31, 2023 and June 30, 2023, respectively	150	150
Series G preferred stock, \$0.01 par value, 100,000 shares authorized, 10,002 shares issued and outstanding as of both December 31, 2023 and June 30, 2023, respectively	100	100
Series F preferred stock, \$0.01 par value, 5,000 shares authorized, issued and outstanding as of both December 31, 2023 and June 30, 2023, respectively	50	50
Common stock, \$0.005 par value, 1,000,000,000 shares authorized, 90,392,109 and 88,699,139 shares issued and outstanding at December 31, 2023 and June 30, 2023, respectively	471,443	443,478
Common stock to be issued	128,925	192,925
Additional paid-in capital	148,335,488	145,251,822
Accumulated deficit	(151,951,449)	(141,729,009)
Accumulated other comprehensive loss	(4,666)	(50,848)
Total Dalrada Financial Corp's stockholders' equity	<u>(3,019,608)</u>	<u>4,109,019</u>
Noncontrolling interests	87,941	143,817
Total stockholders' equity	<u>(2,931,667)</u>	<u>4,252,836</u>
Total liabilities and stockholders' equity	<u>\$ 26,426,023</u>	<u>\$ 25,169,115</u>

# Transformative Innovations.



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