

## Market Data

Digital Ally NASDAQ: DGLY	
Fiscal Year	December
Industry	Technology
Recent Price	\$2.48
Market Cap	\$65.9M
Shares Out.	26.6M
Float	6.3M
Avg. Volume (90-day)	3.8M
Revenue (ttm)	\$10.1M
Gross Profit (ttm)	\$2.8M
Cash (mrq)	\$8.3M
Debt (mrq)	\$1.5M
<i>As of December 1, 2020</i>	
<b>Company Website</b> digitalally.com	



## Company Overview

**Digital Ally**®, headquartered in Lenexa, KS, specializes in the design and manufacturing of the highest quality video recording equipment and video analytic software. Digital Ally pushes the boundaries of technology in industries such as law enforcement, emergency management, fleet safety and security. Digital Ally's complete product solutions include vehicle and body cameras, flexible software storage, automatic recording technology and various critical safety products. These products work seamlessly together and are simple to install and operate. In addition, Digital Ally recently launched two new product lines including a non-contact thermometer/controlled-entry device under the Company's ThermoVu™ brand and an EPA Category IV disinfectant/sanitizer under the Company's Shield™ brand. Digital Ally products are sold by domestic direct sales representatives and international distributors worldwide.



## Value Proposition

Digital Ally is pursuing several new market channels that do not involve its traditional law enforcement and private security customers, including partner affiliations with NASCAR, Rahal Letterman Lanigan Racing, KMC Brands, and the Kansas City Chiefs. The company won the 2019 Global Eagle Award for its deployment at Met Life Stadium in Rutherford, NJ and has received follow-on orders from taxi service zTrip. A settlement win from its patent litigation against WatchGuard (now owned by Motorola) demonstrates the company's rightful ownership of "autoactivation" technology. Recurring revenues are expected to grow as the Company gains traction with its new subscription offerings which are migrating commercial customers from a "hardware sale" to a service fee model. In response to COVID-19, Digital Ally launched sales of industrial-grade disinfectant, Shield™, and an innovative no-contact temperature measuring device, ThermoVu™, both targeting its established customer base in law enforcement, commercial fleet companies, and event facilities.

## Investment Highlights

- **Award-winning technology**
  - Winner of the 2019 Golden Eagle Award at the National Sports Safety and Security Conference & Exhibition for outstanding security projects executed in sporting venues
- **Strong foundation with 93,500+ units deployed globally**
  - Customers in 31 countries globally
  - Law enforcement customers include city, state, county, and federal law enforcement agencies, as well as military (international and domestic)
  - Currently services 9,000 of the 18,500 total law enforcement agencies in the US
  - Expanding commercial customer base includes ambulance, fire, paratransit, taxicabs, mass transit, and trucking
  - 14 domestic direct sales reps and 30+ international distributors
- **Expanding product portfolio; recently added two new lines of branded products**
  - ThermoVu™ - a line of self-contained non-contact temperature monitoring systems that provides alerts and controls facility access when an individual's temperature exceeds a pre-set threshold
  - Shield™ - disinfectants and cleansers for use against viruses and bacteria
  - Sales of both products began late in Q2 2020
  - Branded products offered to first responders, including police, fire and paramedics
  - Commercial customers such as schools, cruise lines, taxicab and para transit also ideal customers for new the product lines
- **Growing base of recurring revenue**
  - Migrating commercial customers from a “hardware sale” to a service fee model
  - Recurring services growing at double-digit rates
  - Includes cloud-based recurring services, accessories & parts, as well as repair services
- **Strong balance sheet**
  - \$8.3 million cash position and \$14.4 million stockholder equity as of September 30, 2020

