

November 17, 2025

VALUATION

Current Price	\$3.78
52 Week Range	\$3.51–21.40
Market Cap (\$-Mn)	119.26
EV (\$-Mn)	9.76
Shares Out. (Mn)	31.55
Float	66.9%
Avg. 3-Month Volume	0.82 Mn
EV/Sales (2026E)	0.1x
P/Sales (2026E)	1.22x

Source: TIKR

FUNDAMENTALS

Revenue (2024)	\$93.1 Mn
Revenue (2025E)	\$94.5 Mn
Revenue (2026E)	\$97.3 Mn
Revenue (2027E)	\$105.5 Mn
Net Income (2024)	\$4.3
Net Income (2025E)	\$1.8
Net Income (2026E)	\$0.7
Net Income (2027E)	\$1.3
Cash and equivalents (3Q25)	\$109.5 Mn

Source: Company Filings, Forward Estimates
Sourced from TIKR

STOCK PRICE PERFORMANCE



Source: TIKR

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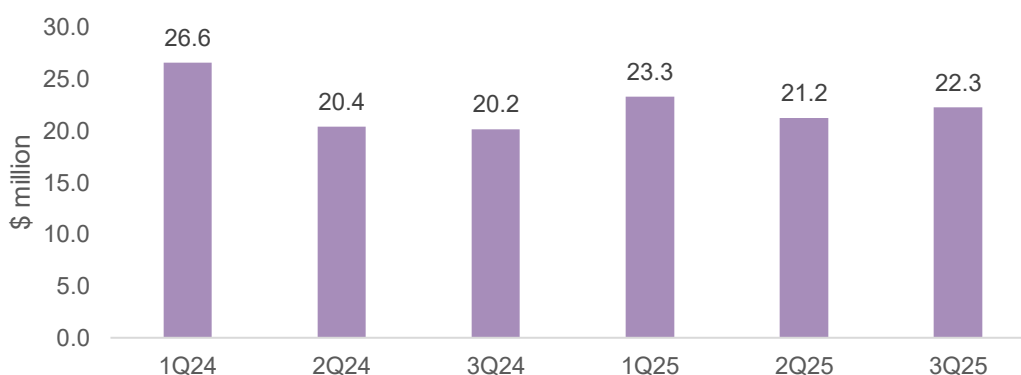
GrabAGun Digital Holdings Inc. (PEW)

Best-In-Class Digital Platform and Operational Excellence Continue to Drive Growth and Market Share Gains. Attractively Valued.

■ Key Takeaways

- Best-in-class digital platform continues to drive growth and market share gains in a tough industry environment.
 - Operational vectors point to strength with LTV rising and mobile-first approach working. PEW continues to attract younger customers, deepen loyalty, and strengthen its brand.
 - Growth outlook is strong with healthy 4Q demand across core categories, supported by strong firearms momentum and steady digital engagement.
 - Attractively valued as current market cap (\$119 million) is just slightly higher than cash & cash equivalents of \$109.5 million (\$3.65 per share), suggesting that the core business is available to investors as an optionality (EV=\$10mn, EV/Sales = 0.1x).
- **PEW's best-in-class digital platform continues to drive growth and market share gains in a tough industry environment.** PEW's 3Q25 topline came in at \$22.3 million, up 10% y/y. This is a significant outperformance as firearms sales volumes declined 5.3% at an industry level, per Adjusted NICS data, suggesting that PEW's digitally native firearms platform – that provides unmatched convenience and selection – continues to drive market share gains for the company.
- **Firearms sales increased 12% to \$18.1 million, reflecting volume growth of 16%.** Non-firearms sales increased by 3% y/y to \$4.2 million.
 - **Repeat purchase momentum is strong, with repeat sales up 8.1% y/y,** and repeat rate improving by 47 bps to 55%. Average order value increased by 7.7% from the prior year quarter, signaling customers are buying more and buying better.
 - **Gross profit margin was 11%, +200 bps y/y increase,** driven by benefits of strategic purchasing, strengthened supplier relationships, and ongoing operational efficiencies.
- **Operational KPIs remain strong with new customer lifetime value (LTV) rising 8.4% to \$551,** while existing customer LTV increased 5.7% to \$1,813, driving **overall LTV up 10.8% to \$855.** These numbers show clear progress toward building a high quality, more predictable revenue base powered by loyal, engaged customers.
- **Mobile-first approach is working** as mobile sessions rose 13% y/y and represented 67% of transactions and 64% of revenue, compared to 65% and 63% in the prior-year period. Mobile performance was supported by higher engagement and better conversion quality as mobile transactions increased 2% y/y and mobile revenue grew 1.4%.
- **Overall, PEW's 3Q25 performance reflects a combination of deep product selection, competitive pricing, and a strong focus on customer experience that ensures that the company continues to attract younger customers, deepen loyalty, and strengthen its brand.**

Chart 1: PEW – Quarterly Revenue



Source: Exec Edge Research, PEW SEC Filings

- **Appointment of Sina Azmoudet as Chief Marketing Officer (CMO) will boost brand reach and customer engagement.** On September 10, PEW announced the appointment of Sina Azmoudeh as CMO. Mr. Azmoudeh brings nearly two decades of marketing leadership experience across SaaS, fintech and specialized industries, with a proven track record of developing integrated marketing strategies that drive measurable revenue growth and market expansion. He will be responsible for elevating PEW's market presence and strengthening customer engagement across all touchpoints.
 - **The appointment is in line with PEW's strong focus on marketing and boosting ROAS.** Management emphasized that marketing played an important role in 3Q25 performance and will remain a key growth lever heading into 4Q. With the appointment of a new CMO and the build-out of the marketing organization, the company is deploying more targeted spend after historically operating with minimal marketing investment. Expanded brand partnerships, in-house content creation, and increased marketing dollars are expected to support continued unit growth and stronger seasonal demand. While expenses will rise, management expects these initiatives, combined with strategic inventory purchases at better prices to drive healthy ROAS in 4Q and beyond.
- **In August, the company launched Shoot and Subscribe, a new ammunition subscription service aimed at making shooting more convenient and cost-effective.** The program offers customers reliable deliveries and savings, helping to create predictable, recurring revenue while strengthening loyalty and supporting long-term enterprise value.
- **One-time expenses impacted profitability but are likely to normalize in coming quarters.** PEW reported a net loss of \$3.3 million in 3Q25 versus net income of \$0.6 million last year, primarily due to stock-based compensation and public listing-related expenses. These items are largely one-time in nature and not reflective of underlying operating performance.
 - **Loss from operations was \$4.2 million in 3Q25 vs. operating income of \$0.5 million in 3Q24.** The swing is largely driven by \$3.2 million in stock-based compensation and additional legal and accounting costs related to the business combination and public-listing process, which are primarily one-time in nature. Adjusted EBITDA came up to \$0.3 million loss, reflecting the anticipated ramp up in expenses related to being a public company.
 - **G&A increased as the company builds internal teams and invests in talent to support its long-term goal of reaching a \$1 billion top line.** Public-company requirements and the transition away from outsourced legal and accounting services have increased near-term opex, as headcount ramped faster than expected. Management views these hires as strategic, reducing future contractor costs and strengthening the operational base needed to drive sustained growth.
- **Growth outlook is strong as management expects healthy fourth-quarter demand across core categories, supported by strong firearms momentum and steady digital engagement.** Seasonal trends are unfolding in line with expectations, with October and early November showing solid activity and stable conversion rates. Based on current trends, management anticipates mid- to high-single-digit revenue growth in 4Q25 and a modest sequential improvement in gross margin. The third quarter reinforced that the strategy is gaining traction, **with progress in**

attracting younger customers, strengthening loyalty, and deepening the brand’s digital presence, all of which support the company’s long-term growth ambitions.

- **Inventory levels have been built up ahead of the peak fall and holiday season to support strong demand and margin performance.** Inventory levels increased from \$4.8 million to \$7.3 million, consistent with the company’s proactive strategy to secure high-demand SKUs in anticipation of peak seasonal periods. Accounts payable also rose to \$10.3 million, reflecting higher inventory throughput and extended terms negotiated with suppliers. PEW maintained healthy positions in top-selling SKUs and expanded supplier relationships, providing flexibility to respond quickly to demand spikes. The focus has been on higher-margin products and bulk purchasing at lower unit costs, enabling the business to offer strong value while preserving margins through key periods like Black Friday and Cyber Monday.
- **Top-line growth is expected to continue, and revenue is estimated to cross \$100 million by 2027, led by market share gains.** According to Street estimates sourced from TIKR, PEW is likely to end the year with a strong 4Q25 (topline estimate is at \$27.9 million). Annual revenue estimates suggest that revenue growth is set to continue in 2026, and by 2027 the company’s revenue is likely to cross the \$100 million mark and reach \$105.5 million.

Chart 2: PEW – Revenue Estimates



Source: Exec Edge Research, PEW SEC Filings

Chart 3: PEW Street Estimates

Estimates (\$ million)	2024	2025E	2026E	2027E
Revenue	93.1	94.5	97.3	105.5
Net Income	4.3	1.8	0.7	1.3

Source: Exec Edge Research, PEW SEC Filings, Forward Estimates sourced from TIKR.

- **Post-transaction balance sheet (\$109 million+ cash) provides ample runway for growth, M&A, and shareholder returns.** Following its business combination with Colombier, PEW has entered the public markets with a strong balance sheet and a clean capital structure. As of September 30, 2025, the company held \$109.5 million in cash on its balance sheet, up from \$7.9 million at year-end 2024. This strong liquidity position provides solid flexibility for operations, strategic initiatives, and future growth opportunities. With a debt-free balance and transaction-related one-time costs largely behind, management expects to allocate capital toward inventory expansion, tech innovation, and strategic M&A.
- **Management is seeing meaningful consolidation opportunities across the industry** and continues to evaluate strategic acquisition opportunities across multiple attractive categories, including complementary eCommerce platforms, specialty retailers and technology solutions that could enhance the customer experience and expand market reach.
- **PEW is also advancing its technology stack** to redefine how modern firearm consumers shop by integrating smarter data, faster search, and personalized recommendations to make GrabAGun the most intuitive and

trusted two-way retail experience in the market. Overall, the post-merger balance sheet leaves PEW well-positioned to scale profitably without relying on dilutive equity or expensive leverage.

- PEW has repurchased \$8.8 million of its common stock under its \$20 million share repurchase program announced in August 2025, with \$11.2 million remaining for future repurchases.
- **Dual listing on NYSE Texas** reinforces the company's strong connection to Texas and the state's supportive business environment that continues to enable growth.

Attractively Valued Given Strong Competitive Position and Strengthening Fundamentals

- **Our analysis shows that the PEW stock is attractively valued.** Please note that the following analysis is for illustrative purposes and is not meant to be a stock recommendation/price target or a buy/sell/hold recommendation on the stock. We use multiple approaches, including comparison with deal valuation and with trading peers. While we do not have a price target for PEW, our analysis shows that the stock has upside potential. **Please note that the upside shown in the analysis below is not a stock price target and is just an illustration of the valuation analysis conducted by us.**
- **PEW's current market cap (\$119 million) is just slightly higher than its cash and cash equivalents of \$109.5 million (\$3.65 per share) suggesting that the core business is available to investors as an optionality (EV = \$10mn and EV/Sales = 0.1x) and that the market is current undervaluing PEW's best-in-class digital platform, market share gains, sustained growth, and a strong competitive positioning.**
- **PEW is also trading at a big discount to its SPAC deal valuation and to consensus Street Target.** PEW was valued at \$312.5 million (equity value) in its SPAC deal with Colombier Acquisition Corp. II which closed in July this year. The stock has come off ever since, and the company's current market cap is \$119 million (11/14 close). While the stock has corrected, the underlying business remains strong, as evidenced in PEW's growing market share, expanding topline that is expected to cross \$100 million by 2027E, resilient profitability, and a cash rich balance sheet. This strength is rooted in a defensible business model built around strong regulatory, technological, and operational moat elements discussed earlier, and is likely to be the prime driver of the stock re-rating.
 - **A reversion to the SPAC deal valuation implies large upside from current levels.** Street estimates also reflect upside potential with mean target price of \$8.25/share (source TIKR) being 118% higher than current levels. We expect valuation re-rating to play out as PEW continues to execute its growth strategy and expand its category-leading platform. While current valuation is below peer average, we expect PEW to trade at a premium to peers in the medium-to-long term, given its superior growth profile and competitive advantages over these companies (best-in-class proprietary technology, operational discipline, and brand authenticity, among others).

Chart 4: PEW – Valuation Discount vs. SPAC Deal and Consensus Street Price Target

Discount vs. SPAC Deal	
SPAC Deal Valuation (Equity)	\$ 312.5
Current Market Cap	\$ 119.3
Upside	162%

Discount vs. Street Price Target	
Consensus Target (Mean)	\$ 8.25
Current Share Price	\$ 3.78
Upside	118%

Source: Exec Edge Research, Company Filings, TIKR, Data as of 11/14 close.

Chart 5: Trading Comps – PEW vs. Peers

Ticker	Peer Companies	Market Cap (\$Mn)	NTM EV/Sales	NTM P/Sales
PEW	GrabAGun Digital Holdings Inc.	119	0.10	1.26
SWBI	Smith & Wesson Brands, Inc.	376	1.04	0.81
RGR	Sturm, Ruger & Company, Inc.	498	0.79	0.94
POWW	Outdoor Holding Company	210	3.17	4.28
ASO	Academy Sports and Outdoors, Inc.	2,979	0.71	0.47
Average		836	1.16	1.55
<i>PEW's Multiple vs. Peer Average</i>			-91%	-19%

Source: Exec Edge Research, TIKR, Data as of 11/14 close.

Chart 6: PEW Financial Snapshot

Income Statement (\$000s)	1Q24	2Q24	3Q24	1Q25	2Q25	3Q25	9M24	9M25	2023	2024
Revenues:										
Net revenues	26,600	20,391	20,174	23,331	21,228	22,267	67,165	66,826	96,283	93,122
Cost of goods sold	24,509	18,331	18,343	21,068	19,178	19,887	61,183	60,133	86,168	83,621
Gross profit	2,091	2,060	1,831	2,263	2,050	2,380	5,982	6,693	10,115	9,501
Gross Profit Margin	7.9%	10.1%	9.1%	9.7%	9.7%	10.7%	8.9%	10.0%	10.5%	10.2%
Operating expenses:										
Sales and marketing	140	122	112	152	122	250	374	524	709	543
General and administrative	2,172	1,225	1,213	1,138	1,339	6,309	4,610	8,786	5,236	5,062
Total operating expenses	2,312	1,347	1,325	1,290	1,461	6,559	4,984	9,310	5,945	5,605
Income from operations	(59)	713	506	811	589	(4,179)	1,160	(2,779)	4,170	3,896
Other income	(73)	167	1	199	41	1	95	241	167	405
Net income	(132)	880	554	1,010	630	(3,253)	1,302	(1,613)	4,337	4,301
Net Income Margin	-0.5%	4.3%	2.7%	4.3%	3.0%	-14.6%	1.9%	-2.4%	4.5%	4.6%
Add Back:										
Interest income	-	-	-47	-	-	-925	(47)	(925)		
Depreciation and amortization	87	86	86	51	50	49	259	150	359	309
Stock-based compensation expense	-	-	-	-	-	3,203	-	3,203		
Non-recurring costs	-	-	-	453	71	580	-	1,104	-	101
Adjusted EBITDA	847	966	593	622	751	(346)	2,406	1,027	4,696	4,711
% Adjusted EBITDA margin	3.2%	4.7%	2.9%	2.7%	3.5%	-1.6%	3.6%	1.5%	4.9%	5.1%
Balance Sheet - Key Items (\$000s)										
Assets										
Current assets:										
Cash and cash equivalents				7,418	4,642	109,546		109,546	10,738	7,887
Inventory, net				6,320	5,826	7,341		7,341	4,204	4,771
Total current assets				15,213	12,557	119,817		119,817	15,782	13,492
Total assets				15,940	13,289	120,766		120,766	16,867	14,231
Liabilities and Stockholders' Equity										
Accounts payable				11,602	10,067	10,338		10,338	10,770	8,687
Unearned revenue				2,216	1,773	1,548		1,548	2,630	2,274
Total current liabilities				14,925	12,664	13,217		13,217	14,557	12,273
Total liabilities				14,925	12,664	13,217		13,217	14,831	12,314
Total stockholders' equity				1,015	625	107,549		107,549	2,036	1,917
Total liabilities and stockholders' capital				15,940	13,289	120,766		120,766	16,867	14,231

Source: Exec Edge Research, PEW SEC Filings, TIKR.

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