



Company: Byrna Technologies Inc	Nasdaq: BYRN
Industry: Non-Lethal Launcher (Air Gun)	URL: https://byrna.com/
Price (October 28, 2024 close): US\$ 14.93/share	Market Cap: ~US\$ 350 million

Byrna Technologies Inc. ("BYRN", "Byrna") provides non-lethal launcher alternatives to firearms (think air pistols or paint ball guns). Byrna sells its launchers direct to consumers ("DTC") via its website, Amazon store, as well as through its third-party dealer network of Premier ("Premier Dealer") and Authorized Dealers ("Authorized Dealers").

Our analysis of Byrna's primary sales channels question the accuracy of its purported sales growth, purported profitability and claimed consumer interest.

1. **Overstated Premier Dealership Count:** Byrna disclosed it had twenty (20) "Premier Dealers." **However, we reviewed Byrna's "Authorized Dealers" list and found only twelve (12) "Premier Dealers" listed, not twenty (20).** We found that Byrna's "Premier Dealers" included secondary businesses using ad-hoc shooting ranges in garages and back alleys with little/no retail presence.

We called 17 different dealers which represented more than 20% of Byrna's "Authorized Dealer" locations. We found multiple "Authorized Dealers" with no online presence nor independent retail storefronts, including a car wash, a tea shop, a uniform embroidery shop, and a barbershop. We found that Byrna's "Authorized Dealer" list included storefronts that did not carry launchers in stock and had not placed a restocking order in the last 90 days.

A Coastal Country salesperson (top 5 dealer store count) told us "*we didn't get enough movement off the product... it looks like they are actually discontinued across all of our Coastal stores... None of our Coastal stores show inventory on hand for any of the Byrna actual units... 2022 was the last time we got any... My guess is they're not going to be anywhere in our company... we didn't make enough on them.*"

2. **Stagnant Google Search and Amazon Sales Trends:** Amazon sales growth and Google trends growth suggested stagnant growth for Byrna's DTC business. On April 10, 2024 and September 20, 2024, we reviewed Amazon sales data for each of Byrna's listed products and we estimate Amazon sales growth somewhere between ~5-10%. Google Trends revealed flat growth in the past 12 months for "Byrna" website keyword search.
3. **Increased Competition at Lower Prices:** We found many highly rated competitors offered at significantly lower prices which, to us, suggests headwinds for Byrna's future sales growth and profitability. We think that Byrna's "technology" patents do not provide protection for its launcher design considering the number of workarounds used by competing product offerings.
4. **Insider Sales Immediately After Buyback & Preannouncement; CFO Turnover:** If DTC is so good, why is management selling stock? In September 2024, Byrna insiders sold stock in the open market immediately after BYRN used 33% of its buyback program and immediately after BYRN preannounced revenue upside which sent BYRN shares up 50+%. Additionally, BYRN's CFO retired in July 2024 and replaced with a historically unsuccessful candidate.

To us, Byrna's purported figures don't add up. If Byrna's DTC strategy was so successful, why focus on car washes, teas shops, barber shops, garages and back alleys? We are short BYRN and think its stock is going lower.

THIS RESEARCH REPORT EXPRESSES SOLELY OUR OPINIONS. WE ARE SHORT. WE ARE BIASED. DO YOUR OWN WORK. Use Bonitas Research LLC's research opinions at your own risk. You should do your own research and due diligence before making any investment decisions. We have a short interest in BYRN and stand to realize significant gains if the price of such instrument declines. Please refer to our full disclaimer located on the last page of this report.

OVERSTATED PREMIER DEALERSHIP COUNT

Byrna's earnings call highlighted specific importance of its "Premier Dealer" network and disclosed Byrna had twenty (20) "Premier Dealers" as of April 5, 2024. We found some Byrna "Premier Dealers" were secondary businesses using ad-hoc shooting ranges in garages and back alleys with little/no retail presence.

"Of specific importance is the increase in dealer sales and specifically, the increase in premier dealer sales. Since we introduced our Premier Dealer program last year, this has become a consistent and growing segment of our business... premier dealers can only sell non-lethal self-defense products and must derive more than 80% of their revenue from Byrna products... In addition, the store must adhere to strict brand standards, including a firing range on premises so that potential customers can test fire the Byrna launchers... We also provide them with an operational plan and assist them with the design of the store, including signage and production graphics... At the end of last year, we had 16 Premier Dealers. Since then, we have signed up another four Premier Dealers."¹

Byrna's 2023 10-K disclosed it sold its products into "a network of over 1,300 local, regional and national outdoor and sporting goods stores, either directly or through distributors."² Byrna's website included an "Authorized Dealer" list (<https://byrna.com/pages/dealer-locator>).

We reviewed Byrna's "Authorized Dealers" list and found only twelve (12) "Premier Dealers" listed, not twenty (20). We found only 531 different locations listed as "Authorized Dealers."

We believe Byrna's "Authorized Dealer" list is accurate. Byrna's October 24, 2024 investor presentation listed 500+ "Dealer Locations" as customers.³ In addition, Byrna's FY3Q'24 conference call said that the combined Bass Pro Shop and Cabela's store count was 42, and as of the date we reviewed the "Authorized Dealer" list (October 1, 2024) we counted 12 Bass Pro Shops and 31 Cabela locations listed on Byrna's website.⁴

BYRNA® AUTHORIZED DEALERS			
To find a Byrna® Authorized Dealer near you, use the search bar below to type your state, postcode or address. You can also zoom in/out on the map to search and populate locations.			
MAP ICON KEY:			
 PREMIER DEALER: Ultimate In-Person Shopping Experience Ability to demo Byrna products with Byrna Trained Staff Wide Variety of Byrna Products to Choose From Training			
 AUTHORIZED DEALER: Verified Byrna Retailer selling authentic Byrna merchandise			
Name	Address	Phone	Type
Byrna Less Lethal Showroom	13-499 Edgeley Blvd, Concord, ON, L4K 4H3, Canada		Premier Dealer
Distribuidora Goel	Blvd. Agua Caliente 9955, Piso 5, Tijuana, BC, 22044, Mexico	5.27E+11	Premier Dealer
Greener Motors	4260 E Washington Blvd., Los Angeles, CA, 90023, US	(323) 604-1799	Premier Dealer
Less Lethal California	17981 Ideal Pkwy, Suite A, Manteca, CA, 95336, US	(209) 292-2525	Premier Dealer
Live Safe Hawaii	1436 Young Street, Unit 104, Honolulu, HI, 96814, US	(808) 489-2454	Premier Dealer
Nakestore	7622 Van Nuys Blvd, Unit 2, Van Nuys, CA, 91405, US		Premier Dealer
Personal Safety Products of LA	Call for hours, Metairie, LA, 70001, US	(504) 450-3996	Premier Dealer
Stand To Live Safe	3301 SW Summit Ave., Suite C, Lawton, OK, 73505, US	(580) 400-2854	Premier Dealer
The Un Gun Bar	206 North Main Street, Breckenridge, CO, 80424, US	(970) 423-6767	Premier Dealer
UNGUNN	28048 Bouquet Canyon Rd., Suite 5, Santa Clarita, CA, 91350, US	(661) 313-0656	Premier Dealer
Urban 2A LLC	380 Washington Ave., North Haven, CT, 6473, US	(475) 800-7557	Premier Dealer
Zack's Sports	2138 US-9, Round Lake, NY, 12151, US	(518) 899-2799	Premier Dealer

Source: <https://byrna.com/pages/dealer-locator>

¹ Source: Byrna Fiscal First Quarter 2024 Earnings Conference Call

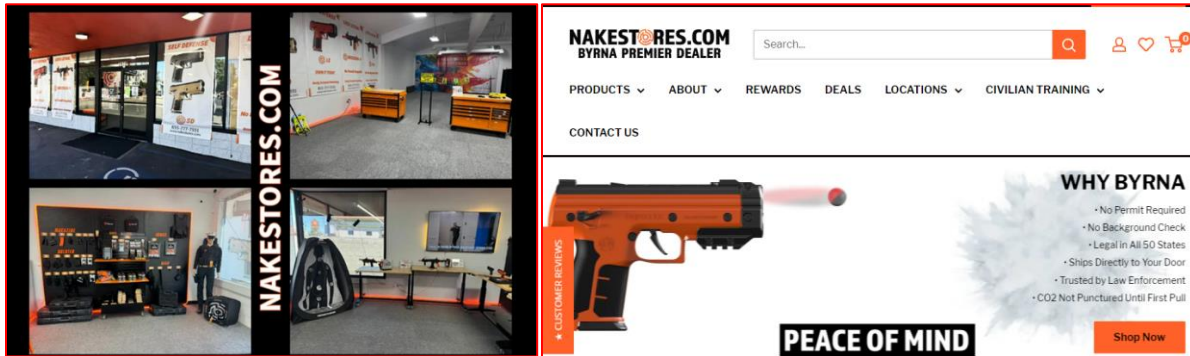
² Source: https://www.sec.gov/ix?doc=/Archives/edgar/data/1354866/000143774924004158/byrn20231130_10k.htm

³ Source: Byrna October 24, 2024 investor presentation

⁴ Source: Byrna Fiscal Third Quarter 2024 Earnings Conference Call

a) Premier Dealer - Nakestores

Nakestores is a Byrna “Premier Dealer.” Byrna suggested to investors that Nakestores is an example of a typical “Premier Dealer.” Nakestores is a standalone storefront selling only Byrna products with a dedicated Byrna website and an indoor shooting range. However, we found multiple examples of “Premier Dealers” with ad-hoc shooting ranges with little/no online presence or independent retail storefront.



Source: <https://nakestores.com/pages/byrna-dealer-retail-store-nakestores>

b) Premier Dealer - Personal Safety Products of LA, a Car Wash and Residential Home

Byrna’s website listed Personal Safety Products of LA as a “Premier Dealer” but did not list the specific address of this location, instructing interested parties to “Call for hours” to phone number +1.504.450.3996. A Louisiana business search database revealed that Personal Safety Products of LA is registered at residential address 1116 Cleary Ave, Metairie, LA 70001. We called the listed phone number and reached a former deputy sheriff who confirmed that he was a “Premier Dealer” and had a shooting range at his car wash. The owner confirmed that there was no online presence or independent retail storefront for Byrna products other than the car wash. The owner offered us an ad-hoc range at his house if we couldn’t meet at the car wash (2799 Highway 59, Mandeville, Louisiana 70448).



Source: Google Maps;

https://coraweb.sos.la.gov/commercialsearch/TradeServiceSearchDetails.aspx?TradeServiceMainID=194165_B75E6C0FED

c) Premier Dealer – Greener Motors, a Machine Shop

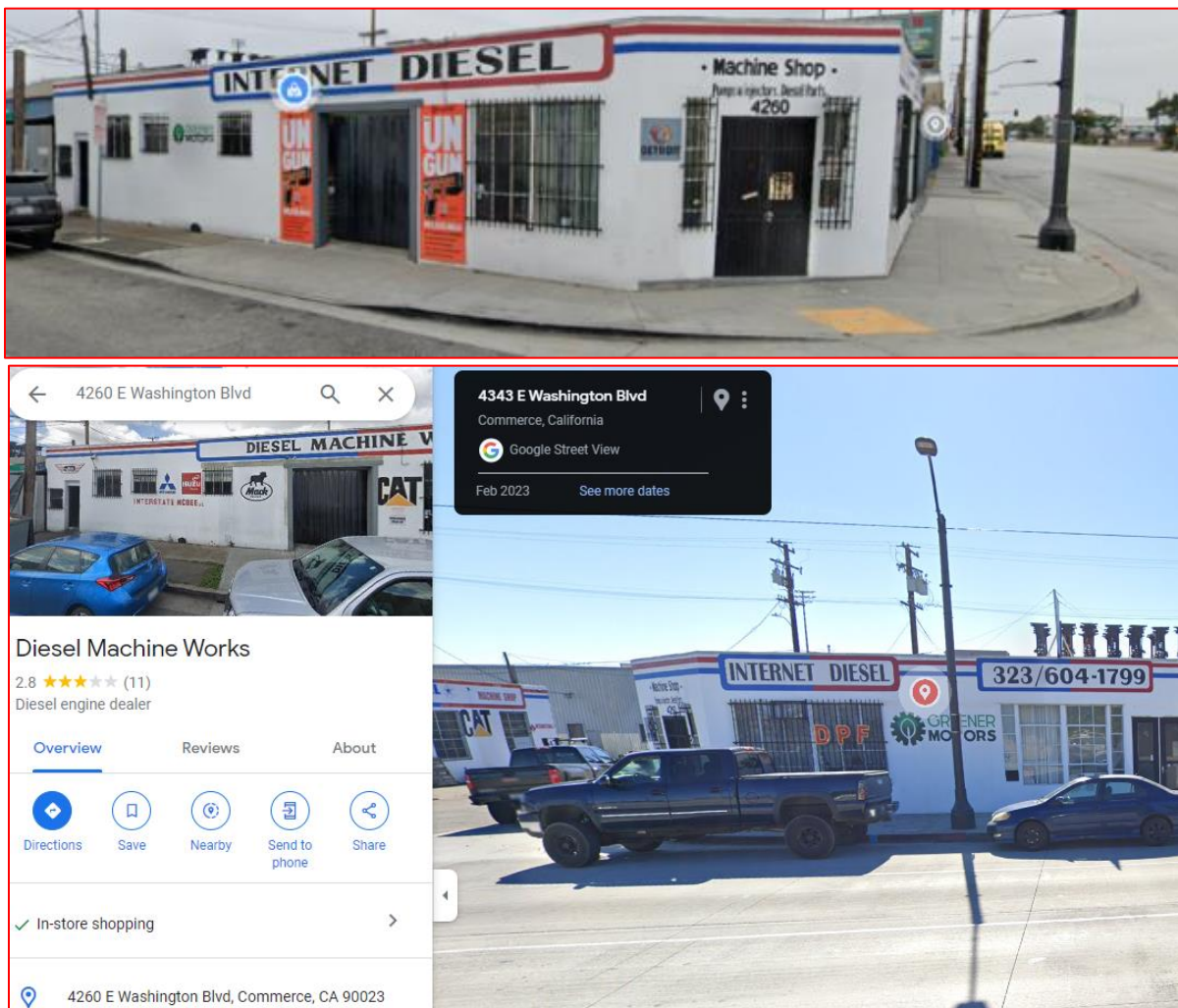
Byrna's website listed Greener Motors as a "Premier Dealer" at address 4260 E. Washington Blvd., Los Angeles, CA 90023 and phone number +1.323.604.1799.

Greener Motors is registered at a machine shop.

We called the listed phone number and confirmed limited Byrna products were offered on-site with access to an ad-hoc in-house shooting range.

Desktop research revealed a machine shop retail storefront whose primary business was to operate on mechanical pumps and injectors which provide diesel parts and repairs.

Its internet website offered Byrna products along with various unrelated products at <https://internetdiesel.com/>.



Source: Google Maps

QUESTIONABLE “AUTHORIZED DEALERS”

We found multiple examples of “*Authorized Dealers*” with no online presence nor independent retail storefronts, including a car wash, a tea shop, a uniform embroidery shop, a motorcycle repair shop, a window cleaner, and a barbershop.

Byrna’s “*Authorized Dealer*” list included names, some addresses, some phone numbers, and a few direct website links that listed Byrna products. We reached out to Byrna about its dealer program and received a presentation that listed the rules which an “*Authorized Dealer*” must abide by in order to be listed on Byrna’s website.

DEALER LOCATOR

Byrna will list Authorized Dealer store location on Byrna’s Dealer locator on www.byrna.com to help drive customers to the dealer’s store. To be listed on the Byrna Dealer Locator dealers must:

- Be a Gold or Silver dealer in good standing
- Have a storefront location
- Have at least one current sales associate that has completed the Byrna Authorized Dealer Training Program in each location to be listed
- Maintain a stock of handheld launchers (in at least three colors), ammo and CO2 in each location to be listed
- Place a restocking order at least once every 90 days
- Provide Byrna with a photo of the storefront, interior of the store and Byrna display.
- Stores that have a range or place designated to demonstrate the launchers will receive a highlight as a “*Byrna Demo Center*.”

If Byrna receives complaints from customers that the dealer either didn’t have stock or didn’t know how to explain the features and benefits of the Byrna launchers, Byrna may remove the dealer from the Dealer Locator.

Source: Byrna Dealer Program Information

We called 17 different dealers which represented more than 20% of Byrna’s “*Authorized Dealer*” locations. We found inconsistencies with Byrna’s listed “*Authorized Dealers*,” a number of which did not have storefronts, did not carry launchers in stock and had not placed restocking orders in the last 90 days. In some cases, we found that customers were unable to buy Byrna launchers through listed “*Authorized Dealers*.”

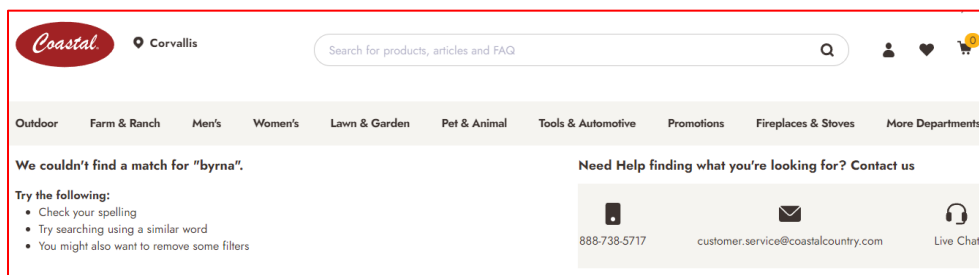
We found that some of Byrna’s largest “*Authorized Dealer*” locations were selling minimal product at a 13-30% discount to Byrna’s website listed prices. A salesperson for “*Authorized Dealer*” Coastal (top 5 dealer store count) revealed that Byrna products had not been ordered since 2022 and any remaining Byrna product was currently at discount price for clearance. C-A-L Ranch (top 5 dealer store count) revealed limited Byrna product sell through in 2024 and listed Byrna’s TCR launcher at a ~30% discount while Bi-Mart (top 5 dealer store count) listed Byrna launchers at a ~13% discount to Byrna’s own website.

a) Coastal Country

Byrna’s “*Authorized Dealer*” list included 20 different Coastal Country locations, a top 5 distributor based on store count. We reviewed the Coastal Country website and found no Byrna products listed. On October 3, 2024 we called the Corvallis store and spoke to the sporting goods clerk who said that there was little/no Byrna products in stock. The store clerk used Coastal Country’s internal computer system to review inventory amounts at other Coastal Country stores, and confirmed there was little/no products available for sale. The store clerk’s comment was that Byrna was being discontinued at Coastal stores and that any remaining products were discounted for clearance with no expectation for additional orders.

The sporting goods store clerk told us “*we didn’t get enough movement off the product, basically, is what it ended up being so it looks like they are actually discontinued across all of our Coastal stores... None of our Coastal stores show inventory on hand for any of the Byrna actual units... 2022 was the last time we got any... My guess is they’re not going to be anywhere in our company so that we’re just not making, we didn’t make enough on them.*”⁵

⁵ Source: Call with Corvallis Coastal Country – October 3, 2024

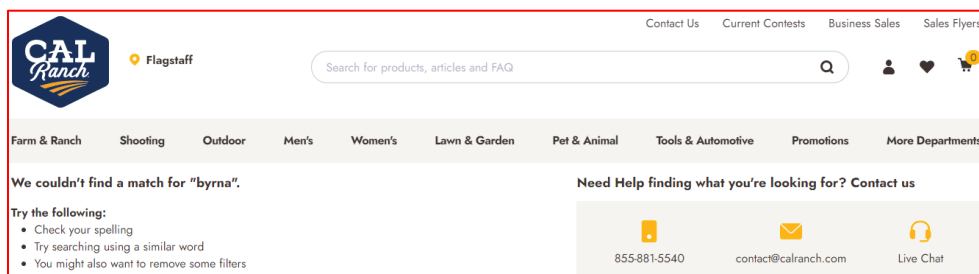


Source: <https://www.coastalcountry.com/search-page?query=byrna>

b) C-A-L Ranch

Byrna's "Authorized Dealer" list included 28 different C-A-L Ranch locations that carry Byrna products, a top 5 distributor based on store count. We reviewed the C-A-L Ranch website and found no products listed. We spoke with a sporting goods sales clerk who said the store's previous Byrna TCR sale was in 2022. As of October 3, 2024, one Byrna TCR was available for US\$ 417.97 from the C-A-L Ranch Flagstaff location, a ~30% discount to the sales price listed on Byrna's website (US\$ 599.99).

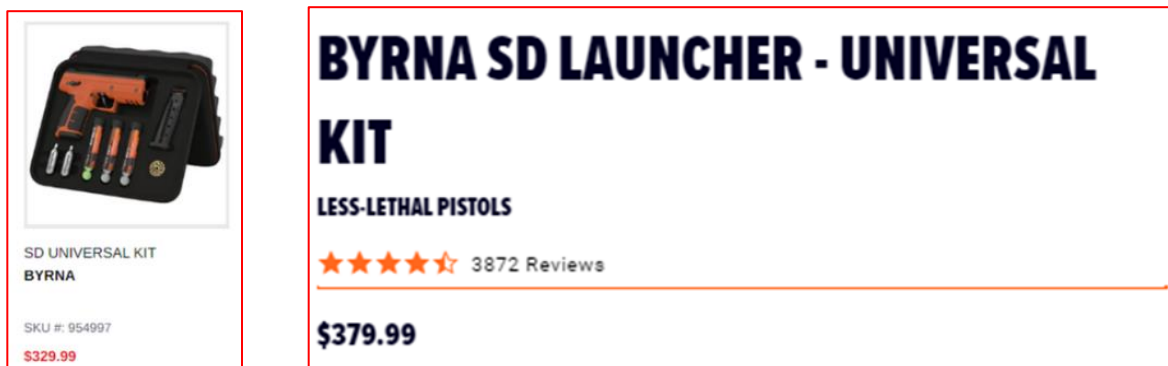
We asked the store clerk if Byrna was sold at a discount to get rid of the rest of the inventory. The store clerk said **"I think that's what's going on because I haven't seen I've been here about eight or nine months and I've only seen the two we have the pistol and the one I'm looking at now and we just barely sold the pistol and this one's sitting here so I mean that we haven't got anything else... Prescott Valley Arizona does have one, that's the black one... The orange pistol, we do not have anything in any stores... In Burley Utah, they have three of the tan Byrna's... Draper Utah has three of the tan Byrna pistols... Carson City, Nevada has one of the TCR... Reno, Nevada has one [TCR]."**⁶



Source: <https://www.calranch.com/>

c) Bi-Mart

Byrna's "Authorized Dealer" list includes 80 different Bi-Mart locations that carried Byrna products, a top 5 distributor based on store count. Byrna's 3Q'24 conference call highlighted its orders from Bi-mart. Bi-Mart's website listed the same launcher package that Byrna lists on its own website for US\$ 329.99 (~13% discount).

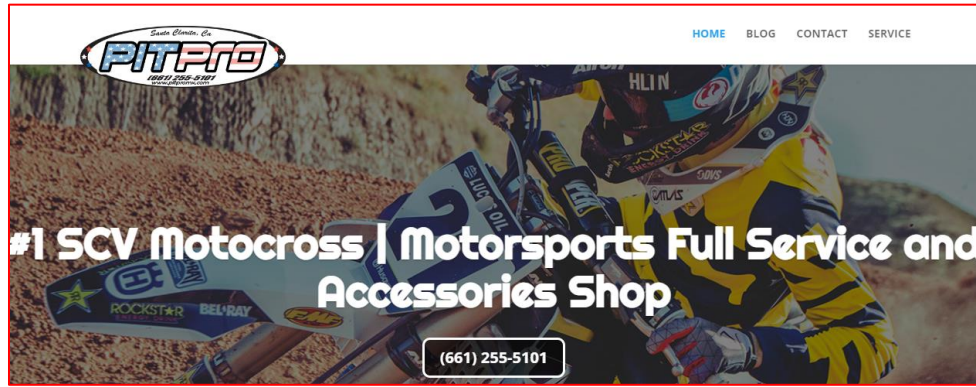


Source: <https://byrna.com/products/byrna-sd-non-lethal-self-defense-pistol>; <https://www.bimart.com/search?query=byrna>

⁶ Source: Call with Flagstaff C-A-L Ranch – October 3, 2024

d) Pit Pro Cycle MX

Byrna listed Pit Pro Cycle MX as an “Authorized Dealer” at address 24601 Arch Street, Newhall, CA, 91321. A website search revealed zero Byrna results. A salesperson confirmed that Pit Pro Cycle MX is a motorcycle shop, does not have any Byrna launchers in stock, does not have a shooting range, and does not plan to re-order any Byrna products.

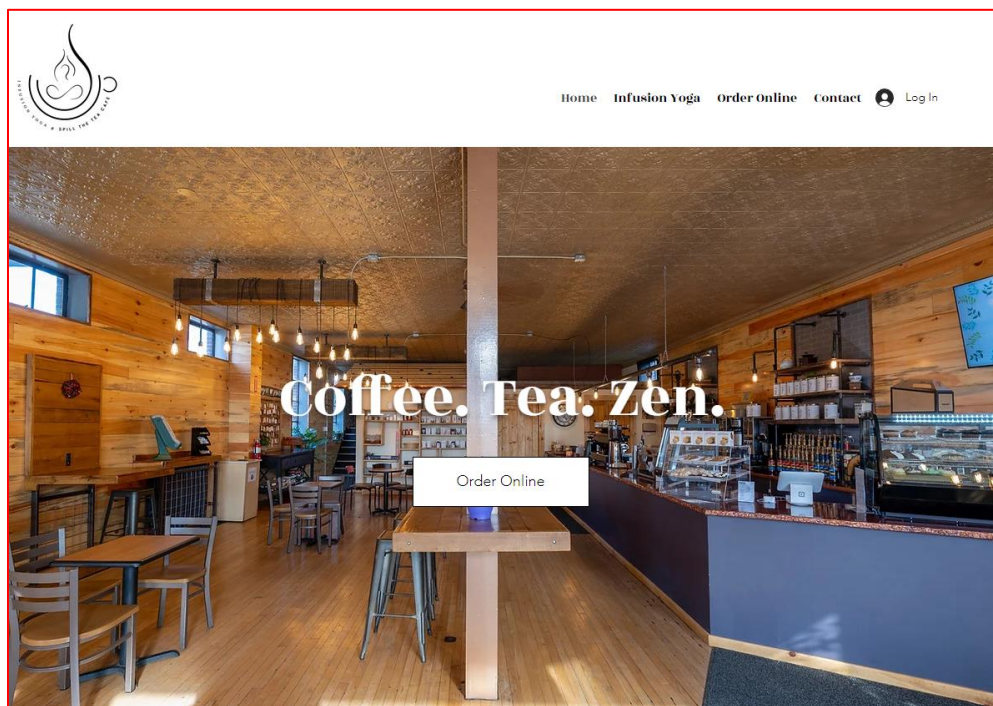


Source: <https://pitpromx.com/>

e) Spill the Tea Café

Byrna listed Spill the Tea Café as an “Authorized Dealer” at address 208 N Main St, Call Ahead, Minoa, NY, 13116 and phone number (315) 243-1567. Spill the Tea Café’s website revealed zero Byrna results. On October 3, 2024 we called Spill the Tea Café and spoke with the owner’s wife who confirmed that the listed location offered tea and yoga classes. We were told that the owner had Byrna product samples but would have to make an appointment to review Byrna product. We were told that the owner had a shooting range up the street at a different location. We were told that the owner did not have another website that offered Byrna products, and that the products were not on display at Spill the Tea Café because there were a lot of young girls that work there.

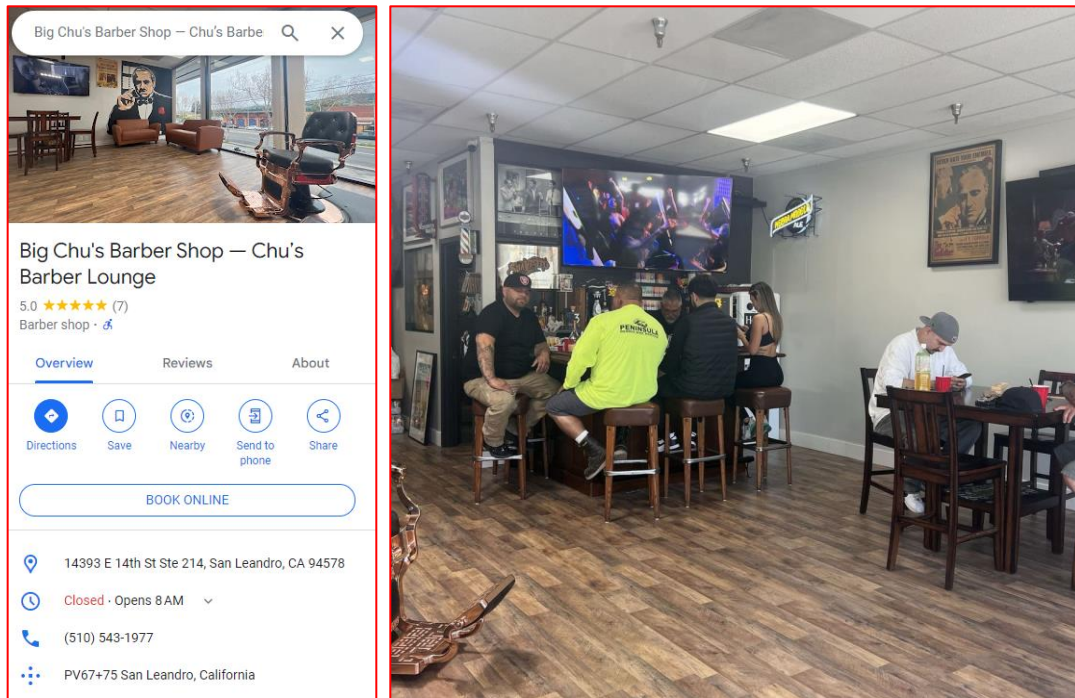
We did not find this surprising considering Spill the Tea Café is a business that sells coffee, zen and hosts yoga classes.



Source: <https://www.spilltheteacafe.com/>

f) Big Chus Barber Shop

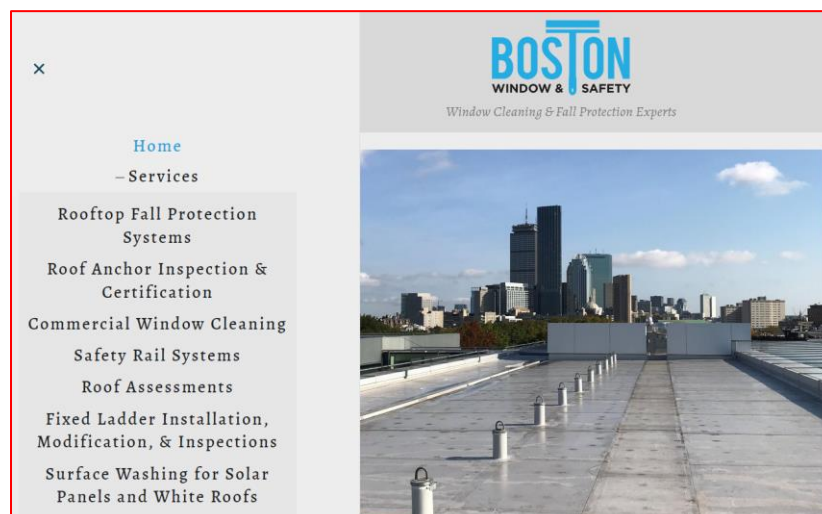
Byrna listed Big Chus Barber Shop as an “Authorized Dealer” at address 14393 E. 14th Street, Suite 214, San Leandro, CA, 94578. A desktop search revealed a barber shop with no website and no Byrna signage. We did not find this surprising considering Big Chu’s is a barber shop that cuts hair. We called the number listed on google maps and was unable to reach a salesperson. We did not find this surprising considering Big Chus is a barber shop.



Source: https://booksy.com/en-us/650519_big-chus-barber-shop_barber-shop_101290_san-leandro#ba_s=seo

g) Boston Window & Safety

Byrna listed Boston Window & Safety as an “Authorized Dealer” at 916 Pleasant St, Unit 9 Norwood, MA 02062 with phone number (781) 984-0545. We repeatedly tried calling the phone number listed for the dealer without success. Byrna was not listed on Boston Window & Safety’s website. We did not find this surprising considering Boston Window & Safety’s primary business was window cleaning and weather preparation.



Source: <https://www.bostonwindow.biz/>

h) Gorilla Vapes of Egg Harbor

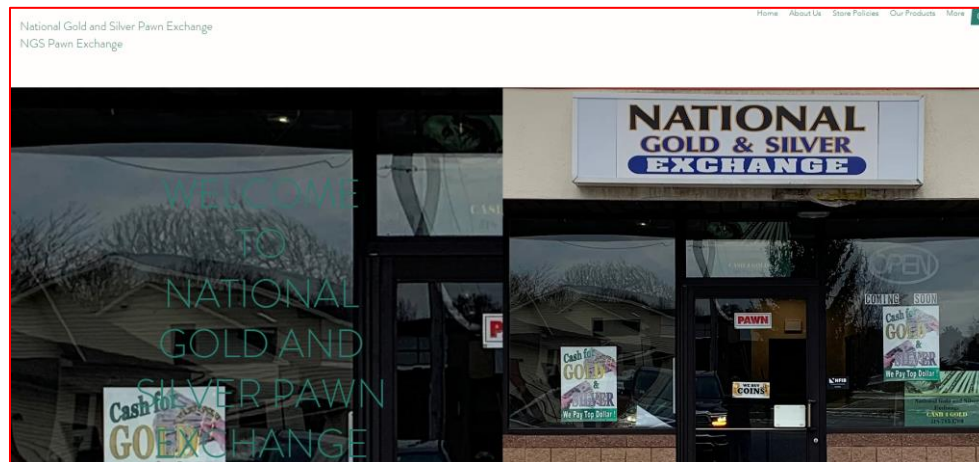
Byrna listed Gorilla Vapes of Egg Harbor as an “Authorized Dealer” at address 6698 Black Horse Pike, Egg Harbor Township, NJ, 8234 with phone number (609) 407-0200. A website search revealed zero Byrna results. A store clerk told us that Byrna products are available for sale on location, and if we wanted to test the product we could go out back in the alley and “shoot a couple into a box.” We did not find this surprising considering Gorilla Vapes primarily sells smoking devices and salt nicotine.



Source: https://www.gorillavapes.com/search.php?search_query=byrna§ion=content

i) National Gold and Silver Exchange

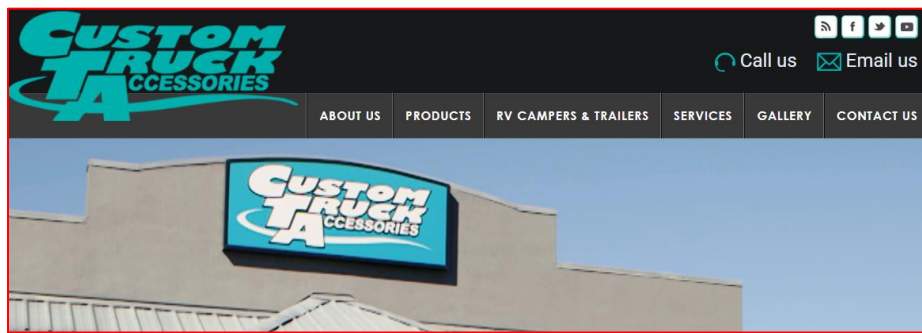
Byrna listed National Gold and Silver Exchange as an “Authorized Dealer” at address 222 Dix Ave, Glens Falls, NY, 12801 and phone number (518) 338-3812. A website search revealed zero Byrna results. We spoke with a salesperson who said they had no Byrna launchers in stock and were undecided whether to re-stock Byrna products due to lack of Byrna product demand.



Source: <https://www.ngspawn.com/>

j) Custom Truck Accessories

Byrna listed two locations for Custom Truck Accessories as Byrna “Authorized Dealers.” Custom Truck Accessories website did not list any Byrna products for sale. A salesperson confirmed that Custom Truck carried Byrna products and we could test the launcher “out back”. Custom Truck sold Byrna products for a year and did not carry competing products. Notably, the salesperson disclosed that customers from California come to Nevada to purchase pepper ball ammo, which was apparently illegal in California.



Source: <https://customtruckaccessories.com/>

k) Jimi Inc.

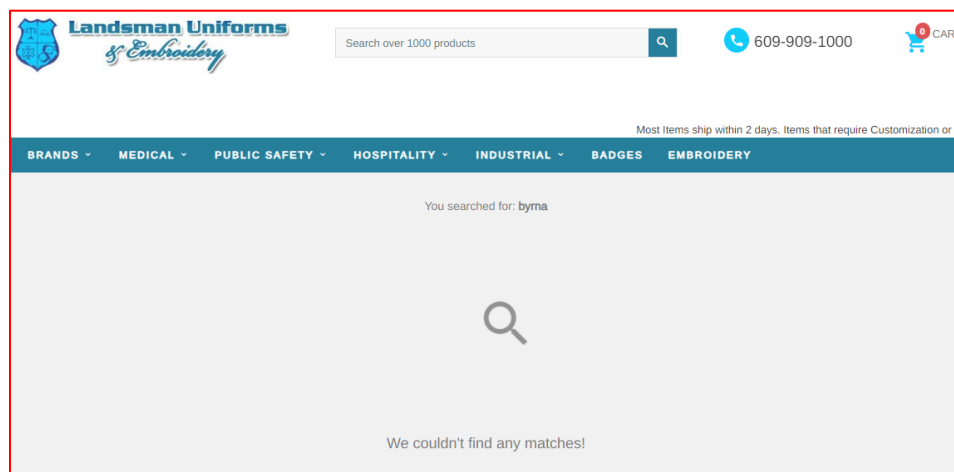
Byrna listed Jimi Inc. as an “Authorized Dealer” with address 48 Bi State Plaza, Old Tappan, NJ, 07675 and phone number (201) 722-1777. When we clicked on the Byrna link provided, we were directed to “Bi-State Shipping Store” which confirmed the specific address and phone number listed by Byrna. The “Bi-State Shipping Store” website does not list any Byrna products for sale and Google Maps showed no Byrna signage. A salesperson told us that there were a few Byrna items in stock and that Byrna was a secondary business to its primary shipping business.



Source: <https://www.bistateshippingstoreandmore.com/>

l) Landsman Uniforms Inc.

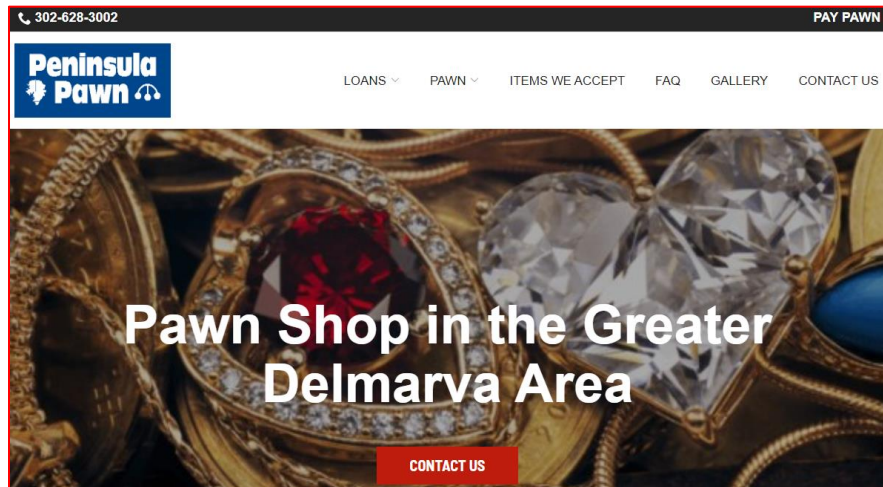
Byrna listed Landsman Uniforms Inc. as an “Authorized Dealer” at address 6206 Black Horse Pike, Egg Harbor Township, NJ, 08234 and phone number (609) 909-1000. A website search revealed zero Byrna results. A salesperson told us that its store had one orange and one black Byrna launcher in stock with no shooting range on the property. Landsman Uniforms confirmed it did not have a firearms license and did not sell any guns nor competing brand launchers.



Source: <http://www.landsmanuniforms.com/>

m) Peninsula Pawn

Byrna listed Peninsula Pawn as an “*Authorized Dealer*” at address 22876 Sussex Hwy, Seaford, DE, 19973 and phone number (302) 628-3002. A website search revealed zero Byrna results. A salesperson told us that Byrna launchers were in stock but the store did not carry competing launchers and did not have a shooting range to test Byrna launchers.



Source: <https://peninsulapawn.com/>

n) Prep And Save

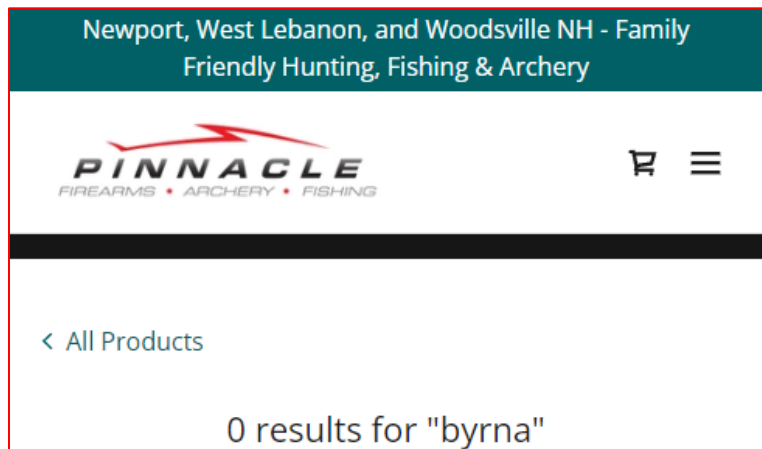
Byrna listed Prep And Save as an “*Authorized Dealer*” at address 1482 Linda Way, Sparks, NV 89431 and phone number (775) 358-3535. A salesperson confirmed that the store sold pepper balls and the Byrna SD kit was in stock. We were told that if the owner was not present, we could shoot trainer balls into the cement wall in front of the store to test the launcher. Prep And Save has two locations; Reno, Nevada and Upland, California. A website search revealed zero Byrna results. The store clerk told us the website wasn't updated because they were unsure about Byrna stock amounts. Apparently Byrna launchers are legal in all 50 states, however, Byrna ammo was not legal in all 50 states, specifically pepper ball ammo which was apparently illegal in California.



Source: <https://www.prepandsave.com/company/about-us/>

o) Pinnacle Sports LLC

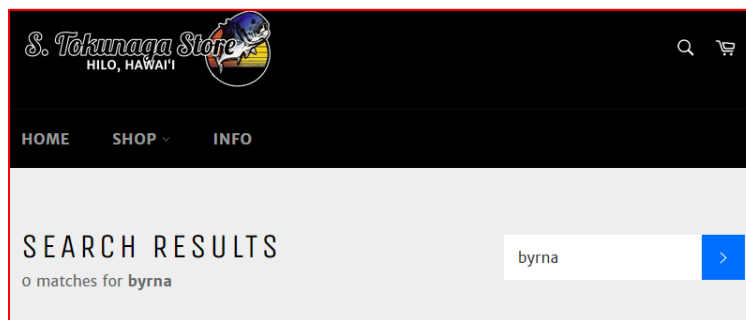
Byrna listed Pinnacle Sports LLC as an “Authorized Dealer” at address 5 Airport Rd West Lebanon NH 03784 and phone number (603) 790-8099. A website search revealed zero Byrna results. A salesperson confirmed that there was one orange launcher package in stock, that the store did not carry competing launchers, and did not have a shooting range to test Byrna launchers.



Source: https://pinnaclesportsllc.com/shop/ols/search?keywords=byrna&sortOption=descend_by_match

p) S Tokunaga Store

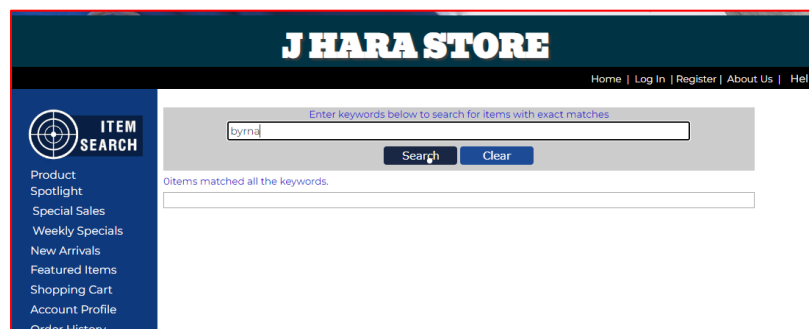
Byrna listed S Tokunaga Store as an “Authorized Dealer” at address 619 Manono St, Hilo, HI, 96720 and phone number (808) 935-6965. A website search revealed zero Byrna results.



Source: <https://stokunagastore.com/search?q=byrna>

q) J Hara Stores

Byrna listed two J Hara Stores in Hawaii as an “Authorized Dealer”. A website search revealed zero Byrna results.



Source: <https://www.gunstores.net/items/KeywordSearchResults.aspx?d=gQnTA919MtA=&u=&g=&z=AqrY381TZOw=&kw=>

AMAZON SALES AND GOOGLE TRENDS ANALYSIS

Byrna's 2023 10-K disclosed its sales breakdown directly through the Byrna website versus its Amazon store.

*"The majority of revenue continues to be in high margin direct online sales via Amazon and the Company's website, as these e-commerce sales accounted for 70.1% of total net revenue in the current fiscal year and 63.6% of total revenue in the prior fiscal year... sales via Amazon increased from \$5.4 million during the fiscal year ended November 30, 2022 to \$6.4 million for the fiscal year ended November 30, 2023."*⁷

In FY'23, Byrna disclosed that Amazon sales were US\$ 6.4 million (~15% of total revenues).

In FY'23 we calculate that Byrna generated US\$23.5 million in sales from its website (~55% of total sales).

Byrna's 3Q'24 10-Q disclosed that "Direct to customer sales, via Amazon and our website, increased by \$11.0 million, or 216%, from \$5.1 million in the fiscal quarter of 2023 to \$16.1 million in the fiscal quarter of 2024."⁸

On April 10, 2024 and September 20, 2024, we reviewed Amazon sales data for each of Byrna's listed products.

Using Amazon reported units sold range and listed prices for each product, we estimate Amazon sales growth between 5-10%.

We note that Amazon data showed minimal volume for Byrna's air canister and ammo rounds, which suggested to us limited repeat usage of Byrna launchers.

April 2024			September 2024		
annualized	10,889,232	15,063,696	annualized	12,203,922	16,299,198
daily	29,833.51	41,270.40	daily	33,435.40	44,655.34

Source: Amazon, Bonitas Calculations

Google trends for the past 12 months show little growth, which suggested to us that Byrna's reported DTC sales growth of 200+% was not a result of increased Google trend keyword search traffic to its website.



Source: <https://trends.google.com/trends/explore?geo=US&q=byrna&hl=en>

⁷ Source: https://www.sec.gov/ix?doc=/Archives/edgar/data/0001354866/000143774924004158/byrn20231130_10k.htm

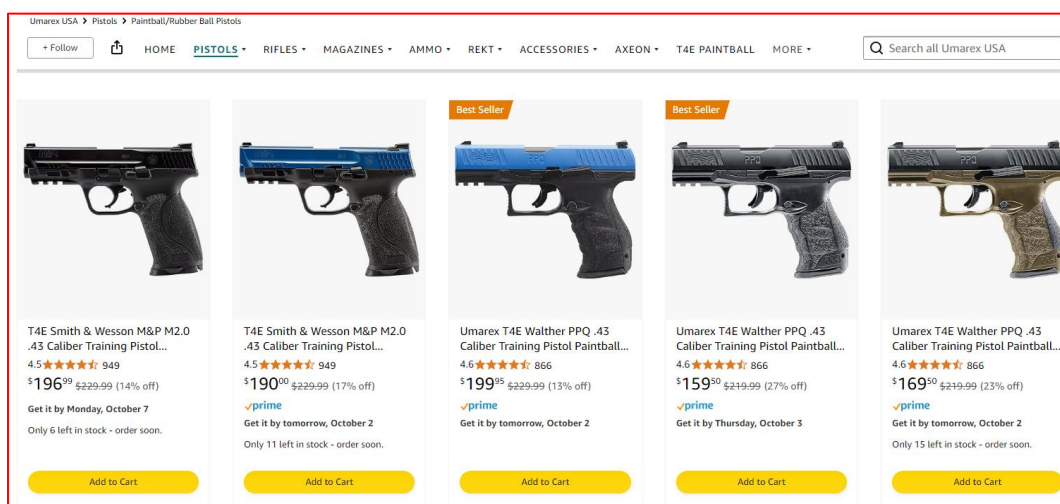
⁸ Source: https://www.sec.gov/ix?doc=/Archives/edgar/data/1354866/000143774924031111/byrn20240831c_10q.htm

INCREASED COMPETITION OFFERED AT LOWER PRICES

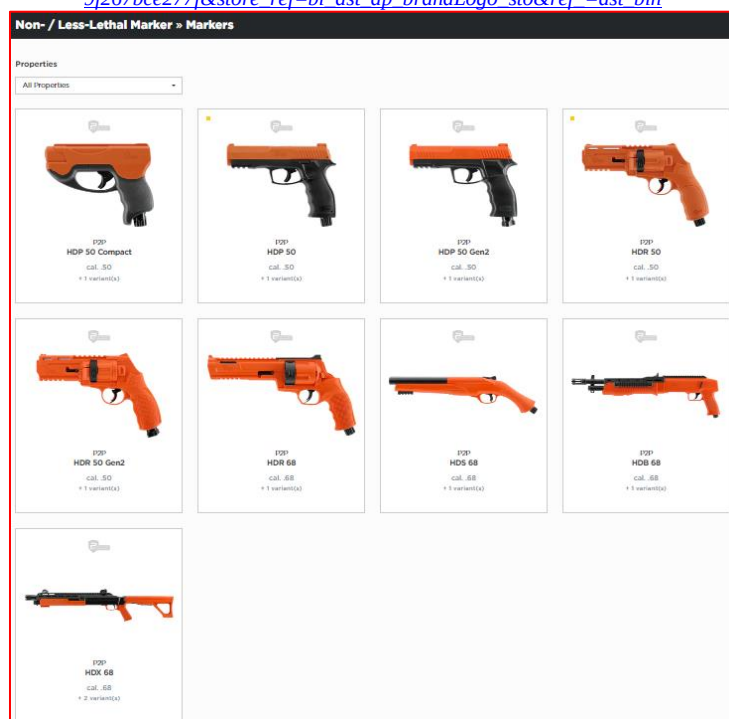
Byrna justified its premium price based on the quality of its product. We found highly rated competitors offered at significantly lower price points.

We note that Byrna's patents don't appear to protect its "*technology*" or its launcher designs considering the number of workarounds competing companies have used for alternative product offerings.⁹

Amazon sales data listed Umarex as the "*air pistol*" category leader. Umarex's Amazon storefront listed five products for its "*rubber ball pistols*" ranging from US\$ 159 to US\$ 199. Umarex's website listed nine different non-/less-lethal launchers available for sale with pistol prices ranging from US\$ 89 to US\$ 169.



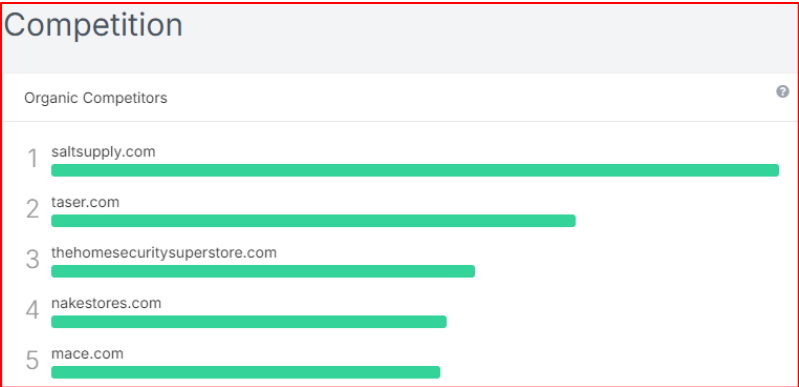
Source: https://www.amazon.com/stores/page/465D356E-D71A-4769-BFA6-44BCF01DFED6?ingress=2&visitId=980bb207-5b3b-4f95-b60e-9f267bce277f&store_ref=bl_ast_dp_brandLogo_sto&ref_=ast_bln



Source: <https://www.umarex.com/products/non-less-lethal-marker/markers.html>

⁹ Source: <https://worldwide.espacenet.com/patent/search?q=ia%20%3D%20%22byrna%22>

Spyfu.com listed five organic competitors based on Google trend keyword searches comparative analytics.



Source: <https://www.spyfu.com/overview/domain?query=byrna.com>

Saltsupply.com is a competing product priced under \$300.

Pepper Spray GunGun AccessoriesSelf Defense AmmoPepper Spray

Home | Pepper Spray Gun | s2 Pepper Spray Gun Starter Kit

s2 Pepper Spray Gun Starter Kit

\$299.95

ONLY 9 LEFT IN STOCK!

COLOR

Grey

QTY: 1

ADD TO CART

FREE SHIPPING ON ALL ORDERS OVER \$50

A safe gun for a safe home

The s2 Pepper Spray Gun provides you with the non-lethal protection of pepper spray to keep you and your loved ones safe. It's ability to shoot long distances, like a traditional firearm, provides critical reaction time and standoff distance allowing you to deliver a defensive cloud that effectively incapacitates an attacker and can cause temporary blindness, difficulty breathing, and severe impact distress.

Source: <https://www.saltsupply.com/collections/pepper-spray-gun/products/s2-pepper-spray-gun-starter-kit-black>

The home security superstore sold a complete launcher kit for US\$ 156.95.

COMPLETE KIT

STREETWISE™ THE HEAT SELF-DEFENSE PEPPER BALL LAUNCHER GUN

★★★★★

3 Reviews

\$156.95

or 4 interest-free payments of \$39.24 with Sezzle

✓ Does not have to hit the attacker to be effective, simply striking the ground near the target disables threat

✓ Semi-automatic 6-round pistol powered by a 12G CO2 cylinder to fire ammo 60 ft

✓ Pepper rounds release a 6 ft cloud to cause burning, gagging, inability to breathe, etc.

✓ Quicksilver rounds hit attackers with kinetic force to cause instant pain on impact

✓ Reusable rubber ball rounds are good for practicing or as a light deterrent

Quantity: 1

ADD TO CART

Only 13 Left In Stock! - Ships Today (Order By 4:00 PM ET)

Item No: SWHPLCK Brand: Streetwise

FREQUENTLY BOUGHT WITH

Streetwise™ The Heat Heavy Duty Launcher Gun Nylon Holster

\$22.99

ADD TO CART

Source: <https://www.thehomesecuritysuperstore.com/collections/pepper-spray-guns/products/streetwise%E2%84%A2-the-heat-self-defense-pepper-ball-launcher-gun-bundle>

15

Mace.com had a competing product priced under \$300.

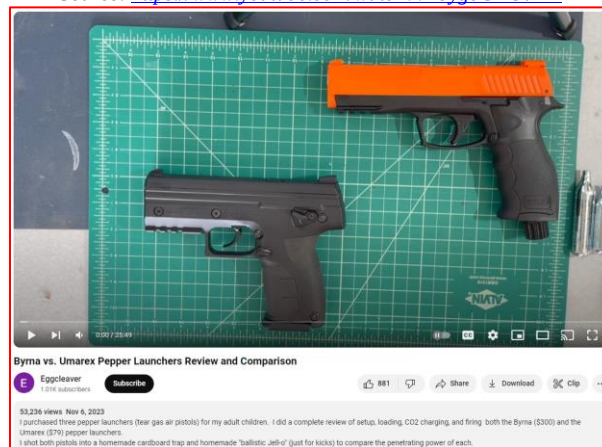


Source: <https://www.mace.com/collections/pepper-guns>

A YouTube review compared Byrna versus Umarex (US\$79) which concluded that Umarex's power exceeded Byrna. Another V-Blogger highlighted the Salt Supply S2 vastly exceeded the performance of the Byrna LE at a lower cost. Other V-blogger reviews rated cheaper alternative air pistols as comparable (if not better) to Byrna's launcher.



Source: <https://www.youtube.com/watch?v=JygbCNUdhi4>



Source: <https://www.youtube.com/watch?v=WA8ffUeaHM8>

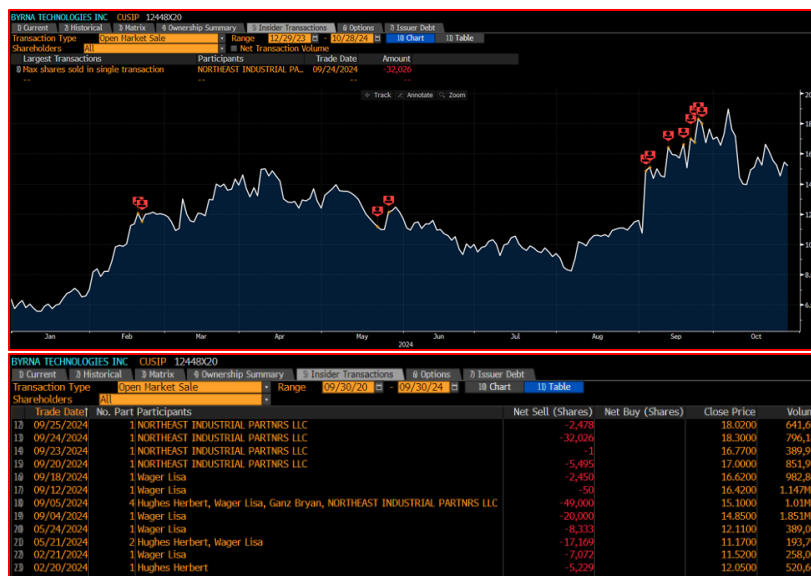


Source: https://www.youtube.com/watch?v=7cSKj_kQunc

INSIDER SALES IMMEDIATELY AFTER BUYBACK AND PREANNOUNCEMENT; CFO TURNOVER

On July 31, 2024, BYRN approved a \$10 million common stock buyback program. In August 2024, BYRN repurchased US\$ 3.25 million BYRN stock, roughly ~ 33% of its buyback program allotment used in its first month.¹⁰

In 2024 insiders started selling stock on the open market, with the majority of insider sales conveniently occurring in September 2024, immediately after BYRN preannounced revenues to the upside that sent BYRN shares up 50+%.



Source: Bloomberg

We question the competence of Byrna's new CFO and Board Chair. In July 2024, Byrna's CFO David North retired and replaced by Laurilee Kearnes.¹¹ Since 2003, Laurilee Kearnes held various finance positions (including CFO) at Harte Hanks (Nasdaq: HHS), which failed to generate investor interest.



Source: Bloomberg

Board Chair Herbert Hughes is Byrna's "financial expert" and Chair of BYRN's audit Committee. "Since March 2017, Mr. Hughes has been Chief Financial Officer of Wormhole Labs Inc. ("Wormhole Labs"), a metaverse emerging technology company... On December 27, 2023, Wormhole Labs filed a voluntary petition for protection under Chapter 11 of the bankruptcy code in the U.S. Bankruptcy Court for the Western District of Texas, and Mr. Hughes is expected to continue as a manager and Chief Financial Officer of the reorganized company. At Wormhole Labs, Mr. Hughes is responsible for financial reporting."¹²

¹⁰ Source: https://www.sec.gov/ix?doc=/Archives/edgar/data/1354866/000143774924031111/byrn20240831c_10q.htm

¹¹ Source: <https://www.nasdaq.com/articles/byrna-technologies-q1-results-miss-estimates-cfo-david-north-to-retire-this-year>

¹² Source: https://www.sec.gov/Archives/edgar/data/1354866/000143774924031653/byrn20241017_def14a.htm

DISCLAIMER

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