Kustom Entertainment, Inc.

KUST

Nasdaq; business equipment; SIC 3663, Radio & Tv Broadcasting & Communications Equipment; CIK 0001342958

E

weakest fifth of 496 graded peers in business equipment

rank 496 of 496; percentile 100.0; sampling error 2.2 points; lower is stronger

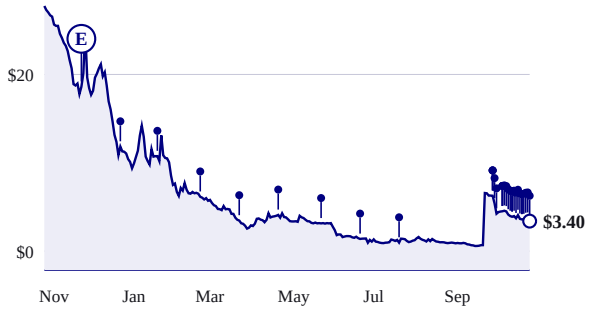
A B C D E

E, the bear



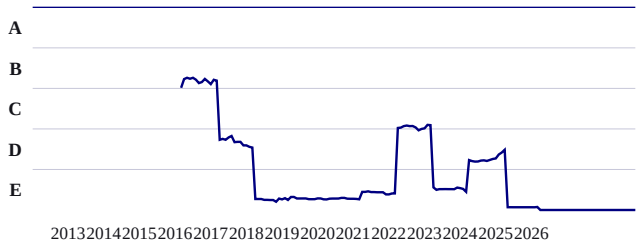
Scoreboard	
Profitability	E percentile 87.3
Solvency	E percentile 89.5
Growth and financing	E percentile 97.5
Reliability	0.83 AUC filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025
Peer failure rate	1.07% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$12.5M to $120M assets total assets $19.3M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	dilution, short runway, late filer not computable: distress
Inputs computable	8 of 14
Graded from	filings received through Apr 13, 2026 196 days before the rescan; latest periodic filing 10-Q received Aug 14, 2026
Last close	$3.83 2026-10-23; market equity $24.9M; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Apr 13, 2026

the "Company," "we," "us" and "our" refer to Kustom Entertainment, Inc. were incorporated in Nevada on December 13, 2000 as Vegas Petra, Inc. From that date until November 30, 2004, when we entered into a Plan of Merger with Digital Ally, Inc., a Nevada corporation formerly known as Trophy Tech Corporation (the "Predecessor Registrant"), we had not conducted any operations and were a closely held company. In conjunction with the merger, we were renamed Digital Ally, Inc. January 2, 2008, our common stock commenced trading on the Nasdaq Capital Market. We conduct our business from 6366 College Blvd., Overland Park, Kansas 66211. Our telephone number is (913) 814-7774.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 87.3						
Gross profitability	7.0%	28.6%		85.4	557	2025-12-31
Return on invested capital	not computable	11.2%				

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latest aligned inputs end 2013-12-31; latest annual assets end 2025-12-31						
Accruals ratio	7.4%	(7.3%)		93.5	620	2025-12-31
Gross margin stability, five years	7.8 pts	2.3 pts		83.1	426	2025-12-31
Solvency, sleeve percentile 89.5						
Twelve-month failure probability	not computable	0.05%				
liabilities and a nearby cover-page share count are required at 2025-12-31						
Altman Z double-prime	(28.46)	2.15		92.9	567	2025-12-31
Net debt to EBITDA	not computable	1.11x				
EBITDA must exceed $100,000						
Interest coverage	not computable	3.77x				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Current ratio	0.86x	2.01x		86.1	664	2025-12-31
Growth and financing, sleeve percentile 97.5						
Revenue growth, three-year compound	(28.1%)	6.4%		96.4	536	2025-12-31
Free cash flow growth, three-year compound	not computable	18.1%				
four consecutive annual FCF observations are required; found 13						
Reinvestment rate	not computable	14.3%				
NOPAT must exceed $100,000						
Asset growth, three years	(30.1%)	5.1%		96.6	561	2025-12-31
Net share issuance, one year	13,568.3%	0.5%		99.5	409	2026-04-10

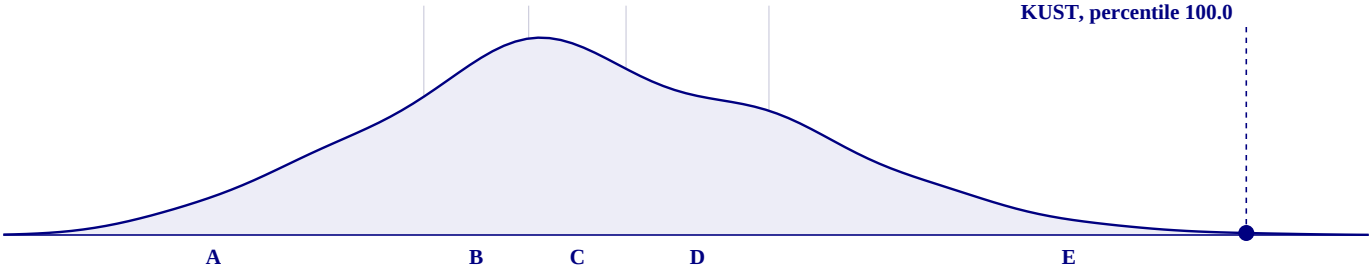
Warnings

3 of 7 checks triggered; none of them enters the letter

Check	Measured
Dilution	split-adjusted year-over-year share growth is 13568.3%
Short runway	cash runway is 2.8 months
Late filer	found 5 NT 10-K/Q filings in the last eight quarters

Among 496 peers

business equipment; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
491	Polar Power, Inc. (POLA)	99.0	E	dilution, short runway, late filer, fortress balance sheet
492	Sports Entertainment Gaming Global Corp. (LTRYW)	99.3	E	short runway, late filer
493	Sports Entertainment Gaming Global Corp. (SEGG)	99.3	E	short runway, late filer
494	Pixelworks, Inc. (PXLW)	99.6	E	dilution, fortress balance sheet
495	Stem, Inc. (STEM)	99.8	E	
496	Kustom Entertainment, Inc. (KUST)	100.0	E	dilution, short runway, late filer

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What the price implies

at the 2026-10-23 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(96.9%)	2.2%	1
Distance from 52-week high	(87.8%)	(32.8%)	5
EBIT to enterprise value	(49.7%)	1.6%	8
Free cash flow yield	(39.2%)	2.9%	9
Book value to price	0.10	0.26	25
Sales to price	0.62	0.32	68
Composite equity issuance, five years	1,123.6%	4.2%	99
Relative strength against the sector, log excess return	(3.77)	(0.26)	1

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 3 of 9, period end 2025-12-31	
Return on assets above zero	fail
Operating cash flow above zero	fail
Return on assets improved	pass
Operating cash flow exceeds net income	fail
Long-term leverage fell	fail
Current ratio improved	pass
No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$830,193
Operating cash flow, four quarters	-$3.6M
Months of runway	2.8
Days since last periodic filing	73 (10-Q received Aug 14, 2026)
Median daily dollar volume, 63 sessions	$162,325

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$1.3M	2025-12-31	2026-04-13	10-K	26-016236
2	assets	us-gaap:Assets	$19.3M	2025-12-31	2026-04-13	10-K	26-016236
3	operating income	us-gaap:OperatingIncomeLoss	-$2.3M	2013-12-31	2015-03-23	10-K	15-000962
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$2.5M	2013-12-31	2015-03-23	10-K	15-000962
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$0	2013-12-31	2014-03-27	10-K	14-000847
6	total debt	us-gaap:LongTermDebt	$2.3M	2013-12-31	2015-03-23	10-K	15-000962
7	book equity	us-gaap:StockholdersEquity	$7.1M	2013-12-31	2016-03-07	10-K	16-007877
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$454,978	2013-12-31	2016-03-07	10-K	16-007877
9	total debt	us-gaap:LongTermDebt	$2.4M	2012-12-31	2014-03-27	10-K	14-000847
10	book equity	us-gaap:StockholdersEquity	$7.9M	2012-12-31	2015-03-23	10-K	15-000962
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$703,172	2012-12-31	2015-03-23	10-K	15-000962
12	net income	us-gaap:NetIncomeLoss	-$6.7M	2025-12-31	2026-04-13	10-K	26-016236
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivitiesC...	-$8.4M	2025-12-31	2026-04-13	10-K	26-016236
14	assets	us-gaap:Assets	$27.7M	2024-12-31	2026-04-13	10-K	26-016236
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$13.8M	2025-12-31	2026-04-13	10-K	26-016236
16	gross profit	us-gaap:GrossProfit	$3.1M	2024-12-31	2026-04-13	10-K	26-016236
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$13.5M	2024-12-31	2026-04-13	10-K	26-016236
18	gross profit	us-gaap:GrossProfit	$5.8M	2023-12-31	2025-05-02	10-K	25-008420

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19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$28.2M	2023-12-31	2025-05-02	10-K	25-008420
20	gross profit	us-gaap:GrossProfit	$2.3M	2022-12-31	2024-04-01	10-K	24-012365
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$37.0M	2022-12-31	2024-04-01	10-K	24-012365
22	gross profit	us-gaap:GrossProfit	$5.7M	2021-12-31	2023-03-31	10-K	23-010358
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$21.4M	2021-12-31	2023-03-31	10-K	23-010358
24	current assets	us-gaap:AssetsCurrent	$9.0M	2025-12-31	2026-04-13	10-K	26-016236
25	current liabilities	us-gaap:LiabilitiesCurrent	$10.5M	2025-12-31	2026-04-13	10-K	26-016236
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$144.2M	2025-12-31	2026-04-13	10-K	26-016236
27	operating income	us-gaap:OperatingIncomeLoss	-$10.9M	2025-12-31	2026-04-13	10-K	26-016236
28	book equity	us-gaap:StockholdersEquityIncludingPortionAttributableT...	$2.4M	2025-12-31	2026-04-13	10-K	26-016236
29	liabilities	us-gaap:Liabilities	$17.0M	2025-12-31	2026-04-13	10-K	26-016236
30	total debt	us-gaap:LongTermDebt	$845,367	2025-12-31	2026-04-13	10-K	26-016236
31	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$757,369	2025-12-31	2026-04-13	10-K	26-016236
32	depreciation amortization	us-gaap:Depreciation	$194,385	2025-12-31	2026-04-13	10-K	26-016236
33	operating income	us-gaap:OperatingIncomeLoss	-$22.2M	2023-12-31	2025-05-02	10-K	25-008420
34	interest expense	us-gaap:InterestExpense	$3.1M	2023-12-31	2024-04-01	10-K	24-012365
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$322,714	2017-12-31	2019-03-29	10-K	19-004279
36	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$558,447	2017-12-31	2019-03-29	10-K	19-004279
37	operating income	us-gaap:OperatingIncomeLoss	-$11.2M	2017-12-31	2019-03-29	10-K	19-004279
38	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$12.3M	2017-12-31	2019-03-29	10-K	19-004279
39	income tax	us-gaap:IncomeTaxExpenseBenefit	-$90,000	2017-12-31	2019-03-29	10-K	19-004279
40	current assets	us-gaap:AssetsCurrent	$11.8M	2017-12-31	2019-03-29	10-K	19-004279
41	current liabilities	us-gaap:LiabilitiesCurrent	$10.2M	2017-12-31	2019-03-29	10-K	19-004279
42	current assets	us-gaap:AssetsCurrent	$16.7M	2016-12-31	2018-04-13	10-K	18-005114
43	current liabilities	us-gaap:LiabilitiesCurrent	$5.0M	2016-12-31	2018-04-13	10-K	18-005114
44	assets	us-gaap:Assets	$47.0M	2023-12-31	2025-05-02	10-K	25-008420
45	assets	us-gaap:Assets	$56.7M	2022-12-31	2024-04-01	10-K	24-012365
46	shares outstanding	dei:EntityCommonStockSharesOutstanding	2,633,063	2026-04-10	2026-04-13	10-K	26-016236
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	115,601,371	2025-05-02	2025-05-02	10-K	25-008420

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