

## DIGITAL TURBINE [APP]

Digital Turbines Inc. engages in the innovation of media and mobile communications which helps to deliver end to end platform solutions for mobile operators, application developers, device original equipment manufacturers (OEM) and third parties. It operates through the advertising segment, which is comprised of operator and OEM (O&O) business. The O&O business is an advertiser solution for carrier and OEM inventory consisting of services, such as Ignite, a mobile device management platform and Discover, an intelligent application discovery platform.

**Company Facts** <https://www.digitalturbine.com/>

<b>Ticker</b>	<b>MarketCap</b>	<b>Sector</b>	<b>Exchange</b>	<b>Currency</b>	<b>Indices</b>
<b>APPS</b>	<b>\$4.3bn</b>	<b>Software</b>	<b>NASDAQ</b>	<b>US \$</b>	<b>NASDAQ</b>

### Key Features

- Digital Turbine is operating on a global scale working with top apps across popular categories including names like Visa, Amazon, Facebook, Twitter, CBS, Starbucks
- Has a foothold in all major retail categories including News, social, e-commerce, finance, shopping, retail, music, entertainment, gaming and agency.
- Drive products offered by Digital Turbine driving revenue and increasing recurring revenue.
- Strong Revenue Growth. Revenue grew 116% year-over-year in the just-reported September quarter and has grown at an overall compounded annual growth rate of greater than 58% over the past four full fiscal years. Strong Financial Results Driven by Rising Demand from Advertisers and Broad Revenue Diversification
- Digital Turbine Application Mobile Delivery Platform has been installed on more than 500 million devices globally, including more than 60 million devices added in the September quarter, as International and other newer partnerships are now driving more significant growth Revenue-per-device (“RPD”) with U.S.-based partners in the September quarter increased nearly 40% year-over-year, as advertisers show preference towards measurable, verifiable value of home screen opportunity.
- The Company currently has more than 10 million monetisable daily active users (DAUs) for its Content Media products and is actively in the process of extending the reach to additional carrier partners
- Adjusted EBITDA is calculated as GAAP net income/(loss) excluding the following cash and non-cash expenses: interest expense
- Strengths in the business model – Highly-scalable platform business model uniquely positioned in high growth, >\$100 billion mobile advertising market
- Powered >4 billion app preloads for thousands of advertisers and access to more than one billion mobile subscribers globally
- more than forty long-term agreements with top-tier global partners including Verizon, AT&T, Samsung, LG, America Movil, Telefonica and Reliance Jio and pipeline of launches high-profile partner launches & business development opportunities
- Greater than 100% revenue growth and expanding profit margins in the first half of fiscal 2021 contributed to significantly higher earnings

- Experienced management team and board with a track record of outstanding business growth at various carriers and technology companies including Verizon, AT&T, Sprint, Nextel, Yahoo, First Data and Sony
- New Products Drive Ongoing Revenue Streams and Digital Turbine’s technology platform has been adopted by more than 40 mobile operators and OEMs, and has delivered more than three billion app preloads for tens of thousands advertising campaigns. The company is headquartered in Austin, Texas, with global offices in Arlington, Durham, Mumbai, San Francisco, Singapore
- Year on year share performance increase 655%. (19 Dec 2019 \$7.60 18 Dec 2020 \$57.44)

## Recent News

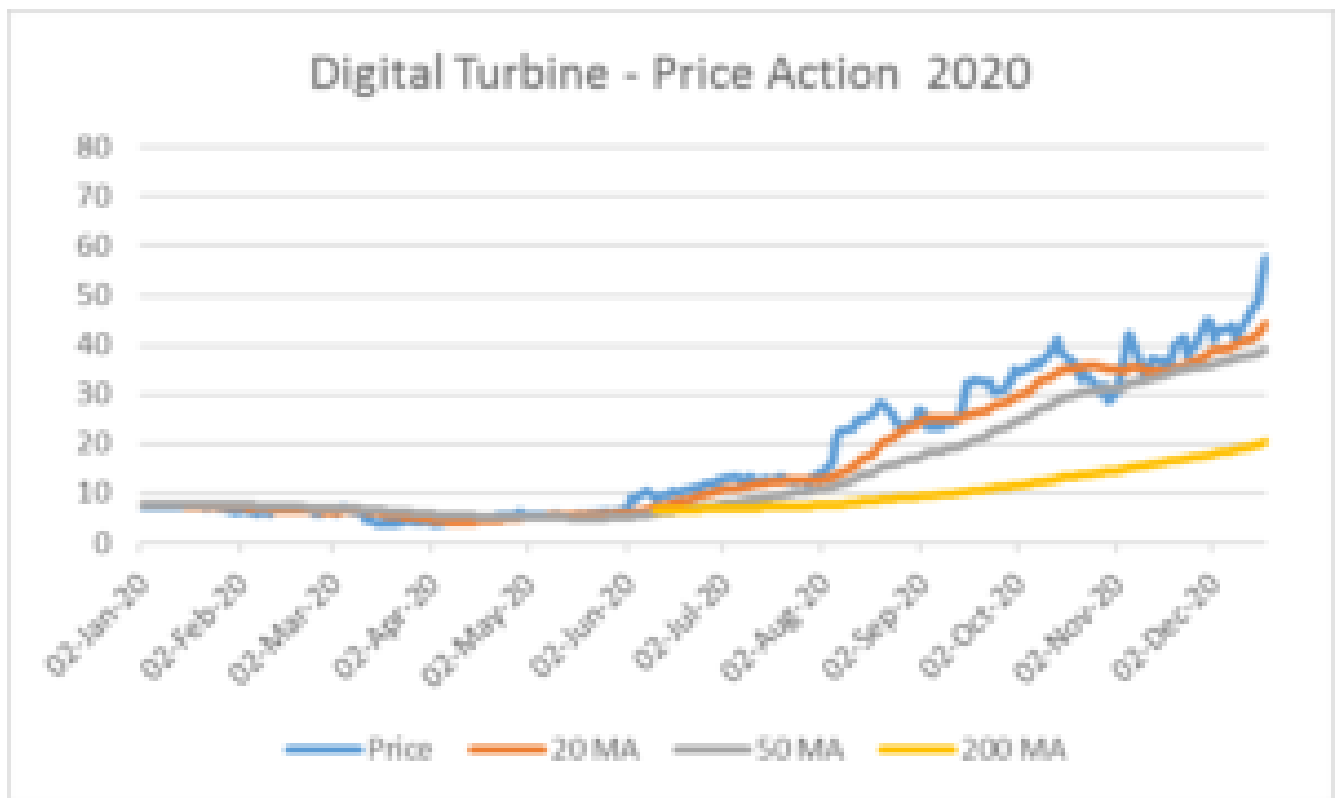
- [Investor Presentation November 2020](#)
- Digital Turbine is benefiting from robust demand for its cloud-based mobile software offerings as enterprises continued the shift from on premise to cloud environments, especially amid the coronavirus lockdown.
- Moreover, this Zacks Rank #2 company’s diversified partner base, a large content business partner and rollouts with newer international partners are expected to drive the top line.
- Digital Turbine has a Growth Score of A and market cap of \$4.16 billion. The Zacks Consensus Estimate for its fiscal 2021 earnings has moved up 34% to 63 cents per share in the past 60 days. Over the same time frame, the consensus mark for fiscal 2022 earnings has climbed 34% to 86 cents per share.
- AUSTIN, Texas, Dec. 15, 2020 /PRNewswire/ — The Austin Chamber of Commerce announced Digital Turbine as a Company Culture award winner in the mid-size company category and a Technology & Innovation honouree during the 2020 Greater Austin Business Awards. Digital Turbine is headquartered in Austin, Texas and is a fast-growing mobile technology platform company that has more than 250 employees.

## Financial Performance

### Key Statistics

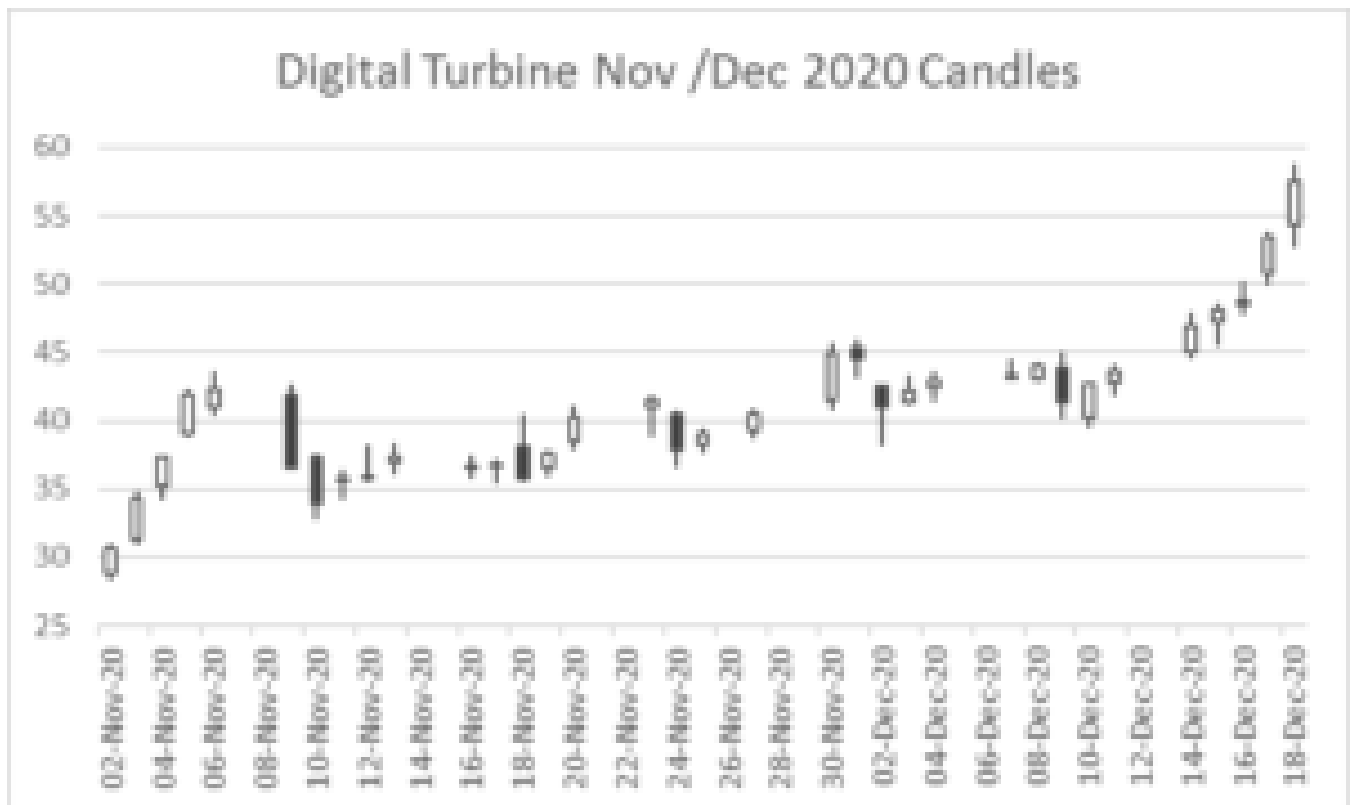
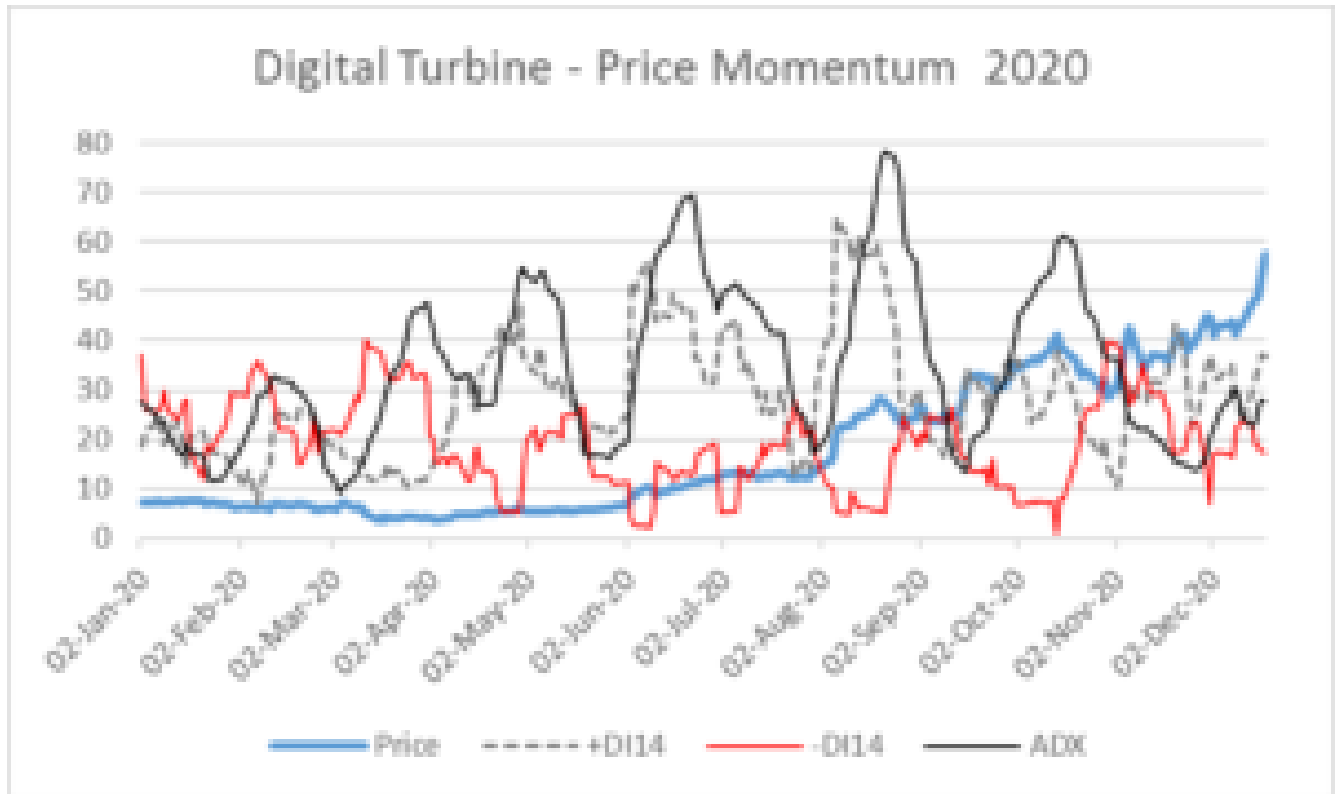
<a href="#">Financials</a>	30/3/2019	31/3/2020	Change
	\$000	\$000	%
Total Revenue	103,569	138,715	33.9
Gross Profit	53,673	67,825	26.3
Net Income	13,900	25,659	84.6
Net Assets	82,861	184,011	122.1
Liabilities	46,503	106,557	129.1
Debt	0	19,690	
Free Cash Flow	(1,05)	26,502	

## TECHNICAL ANALYSIS – Technical Diagnosis –



**Share Price and Momentum Performance** – The first half of 2020 had seen Digital Turbine price performance in consolidation with price ranging being the norm. Since June 2020, Digital Turbine has been on upward elevation in price action with all moving averages being on a significant incline. A dip in price action mid October turned out, in retrospect, to be a bull flag and the share has continued to escalate to new heights. All moving averages have followed suit as the perfect combination as price above the 20 day moving average, 20 above the 50 above the 200 day indicate that enthusiasm has now taken hold with optimistic technical signals providing evidence of exponential growth in share price momentum. The upward sloping 200 day moving average is a long term indicator and by implication the continued rise in price action continually reflects itself in rising moving averages. Although not in itself a guarantee, rising moving averages provide optimistic market sentiment on medium and long term price performance. Price momentum is further confirmed through price momentum which has consistency seen since April 2020 its d+ [buying pressure] constantly above its d- [selling pressure]. ADX indicating the strength of the trend has been in divergent mood with high and lows being the trend throughout 2020. Until the point when selling pressure [d-] exceeds buying pressure [d+] as a constant trend then continued price escalation would seem to be the trend in motion. Economic theory always dictates that when demand exceeds supply, price will rise in free market economies. Qualitative reasons would seem to have become a factor in the recent popularity of mobile app technology. The Company currently has more than ten million monetisable daily active users (DAUs) for its Content Media products and is actively in the process of extending the reach to additional carrier partners. Digital Turbine would seem to have captured positive market sentiment as price rises further reaches new heights. Bullish candlestick performance in December has been noticeable where a break out above the \$45 share price level suggests that at this momentum in time, price momentum is to the upside. Continued price increases cannot be obviously guaranteed but one must acknowledge that

mobile app technology is the way of the future and Digital Turbine could well be ideally placed as a potential star of the future with cash recurring revenue generation a positive for the company. Exponential share price growth will always be dependent on market sentiment. With mobile app technology becoming mainstream this is one sector which may benefit from investor sentiment.



**Trading Action–**

I bought shares @ \$42.56 on 11 December. Sold shares on 13 January @ \$58.44.  
I bought further shares @ \$61.00 on 28 January 2021. I sold shares @ \$81.69 @ 4 February 2021

I bought further shares @ \$81.65 on 18 February 2021. I sold shares @ \$74.73 @ 26 March 2021

Visitors should note that past performance is not necessarily a guide to future performance