

Diamond Equity Research Initiates Coverage on SOBR Safe, Inc. (NASDAQ: SOBR)

NEW YORK, Dec. 13, 2022 (GLOBE NEWSWIRE) -- Diamond Equity Research, a leading equity research firm with a focus on small capitalization public companies has initiated coverage of SOBR Safe, Inc. ("SOBRsafe"). The in-depth 18-page initiation report includes detailed information on SOBRsafe's business model, services, industry, valuation, management, and risks.

The full research report is available [here](#). Highlights from the report include:

- **Disruptive Technology with Applications Across Multiple Industries-** The company's SOBRcheck™ and SOBRsure™ products are equipped with its disruptive and award-winning SOBRsafe™ technology. The first-to-market monitoring technology holds the potential to meet an unattended need for an effective preventative solution as a passive, high-volume, uniform alcohol detection. Excessive alcohol use accrues a \$249 billion economic cost, with over 70% of the cost being attributed to lost workplace productivity. SOBRcheck™ provides a faster and more hygienic (touch-based) alternative to widely used breathalyzers and is also a much-better product market fit for high-value niche opportunities that include workplace, fleet management, and judicial system. SOBRsure™ is a continuous transdermal alcohol monitoring device created with the aim of helping prevent underage drinking and driving. Both these products being applied to multiple markets in need of reliable safety solutions represents a \$15 billion-plus market opportunity.
- **Solutions to Benefit Multiple Stakeholders-** Excessive alcohol use has been costing businesses and employers in the form of high employee turnover, low workplace productivity, employee injuries, and fatalities. An estimated 50% of all workers' compensation claims are related to substance abuse. Wide adoption of the SOBRcheck™ has the potential to significantly reduce the incidence of alcohol-related incidents, benefiting the employee, employer, and insurance companies. The company has successfully demonstrated the technology's use case gaining support from multiple employers, DUI probation agencies, and insurers. The company is in talks with multiple insurance carriers to secure discounts upon integration of SOBRsafe™ solutions, thus making the technology cost-neutral for its clients.
- **Established Efficient Supply Chain and Growing Demand Side Channel-** The company has adopted an asset-light model by partnering with leading industry players for manufacturing and customer service. BGM Electronic Services Inc. is the company's product realization partner ensuring efficient supply chain functions, from product design to manufacturing and testing. The company has also partnered with HELM Inc. to provide a slew of post-manufacturing services, from packaging and fulfillment to onboarding and customer service solutions. These partnerships support the company's growing customer portfolio in multiple market segments. The company

has entered into SaaS agreements with five companies for SOBRcheck™ and two companies for SOBRsure™. Additionally, the company has also collaborated with four national distributors and signed reseller agreements to accelerate its growth.

- **Ensuring Recurring Revenues through a SaaS-based Business Model-** The company's revenue model ensures a recurring stream of revenue based on the number of employees or users using the alcohol detection device. The per-unit cost of SOBRcheck™ and SOBRsure™ is \$500 and \$450, respectively, and the per-user monthly cost is \$30 for both devices. The subscription model ensures a steady flow of revenue with low customer acquisition costs compared to one-time breathalyzer purchases. The benefits of insurance incentives and liability reduction, in addition to continuous customer engagement, can potentially reduce churn and ensure higher customer retention.
- **Valuation** – We have valued the company using DCF as our preferred methodology. Our valuation model incorporates the company's commercialized products, SOBRcheck™ and SOBRsure™. Our valuation methodology yielded a value of \$73.86 million or \$5.07 per share, contingent on successful execution by the company.

About SOBRsafe

SOBRsafe is a developer of the patented non-invasive alcohol detection system SOBRcheck™ and SOBRsure™. These are potentially disruptive solutions with anticipated applications in workplaces, school buses, commercial fleets, facility access control, and more.

For more information, visit <https://sobrsafe.com/>

About Diamond Equity Research

Diamond Equity Research is a leading equity research and corporate access firm focused on small capitalization companies. Diamond Equity Research is an approved sell-side provider on major institutional investor platforms including Factset, Morningstar, and Thomson One.

For more information, visit <https://www.diamondequityresearch.com>.

Disclosures:

Diamond Equity Research LLC has been compensated by a third party (One Eyed Jack Enterprises LLC), on behalf of SOBR Safe, Inc. for producing research materials regarding SOBR Safe, Inc., and its securities, which is meant to subsidize the high cost of creating the report and monitoring the security, however, the views in the report reflect that of Diamond Equity Research. All payments are received upfront and are billed for an annual research engagement regarding SOBR Safe, Inc. and its securities. As of 12/13/22, the third party on behalf of the issuer paid us \$27,000 with services commencing 10/31/22 with payment received upfront. Diamond Equity Research LLC may be compensated for non-research related services, including presenting at Diamond Equity Research investment conferences, press releases and other additional services. The non-research related service cost is dependent on the company, but usually do not exceed \$5,000. The issuer and/or the third party have not paid us for non-research related services as of 12/13/2022. Issuers are not required to engage us for these additional services. Additional fees may have accrued since then. Although Diamond Equity Research company sponsored reports are based on publicly

available information and although no investment recommendations are made within our company sponsored research reports, given the small capitalization nature of the companies we cover we have adopted an internal trading procedure around the public companies by whom we are engaged, with investors able to find such policy on our website public disclosures page. This report and press release do not consider individual circumstances and does not take into consideration individual investor preferences. Statements within this report may constitute forward-looking statements, these statements involve many risk factors and general uncertainties around the business, industry, and macroeconomic environment. Investors need to be aware of the high degree of risk in small capitalization equities including the complete loss of investment. Investors can find various risk factors in the initiation report and in the respective financial filings for SOBR Safe, Inc.

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