



Quarterly Performance Report

Dame Products
Q2 2018

24 Jul 2018

Executive Summary

REVENUE

Revenue \$1,369,983 (Last quarter \$1,428,572)

Negative trend downwards.

Orders

Orders \$1,354,960 (Last quarter \$1,338,645)

Positive trend upwards.

PROFITABILITY

Profitability Ratio 6.33% (Last quarter 10.8%)

Negative trend downwards. Strategies to improve profitability include: increasing price, increasing sales volume, reducing cost of sales and reducing operating expenses

ACTIVITY

Activity Ratio 3.86 times (Last quarter 4.62 times)

Negative trend downwards. Strategies to improve the activity ratio include seeking ways to optimise the balance sheet, ie. by reducing the investment in working capital, selling-off any unused assets or by increasing sales using the same asset base.

EFFICIENCY

Return on Capital Employed 24.41% (Last quarter 49.94%)

Negative trend downwards. A lower ROCE% may indicate a less efficient use of capital employed.

WORKING CAPITAL

Cash Conversion Cycle 25.00 days (Last quarter 6.00 days)

Negative trend upwards. Strategies to improve cash conversion include: collecting debt faster, reducing inventory levels, billing work in progress faster and paying creditors slower.

CASH FLOW

Free Cash Flow (\$147,080)

Free Cash Flow is negative. After paying its operating expenses and capital expenditure investments the business has not generated positive cash flow.

MARGINAL CASH FLOW

Net Variable Cash Flow 35.52%

Net variable cash flow is positive. The business will generate cash from each additional \$1 of products or services that the business sells.

DEBT

Net Debt \$20,045 (Last quarter (\$130,084))

Net debt levels have risen.

 COVERAGE

Interest Cover 17.07 times

Operating profits are sufficient to cover interest payments.

Revenue Charts

Total Revenue

\$1,369,983



Orders

\$1,354,960

▲ 1.2% from last quarter

Net Income

\$67,870

▼ -48.3% from last quarter (QTD)

Represents orders made but not necessarily fulfilled.

This figure includes unrecognized revenue.

Total Revenue (2018 YTD)

\$2,798,555

▲ 203.3% from last year (YTD)



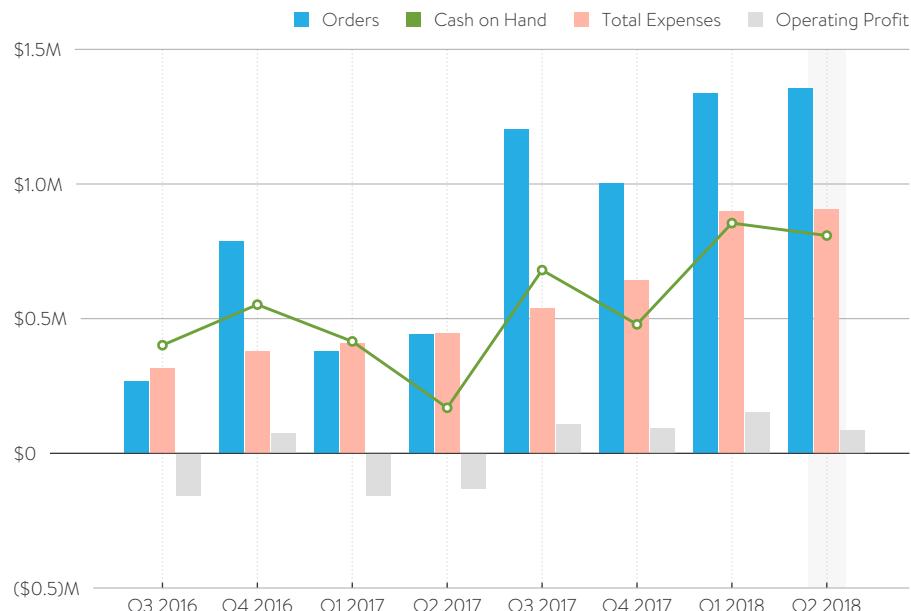
Orders (2018 YTD)

\$2,693,605

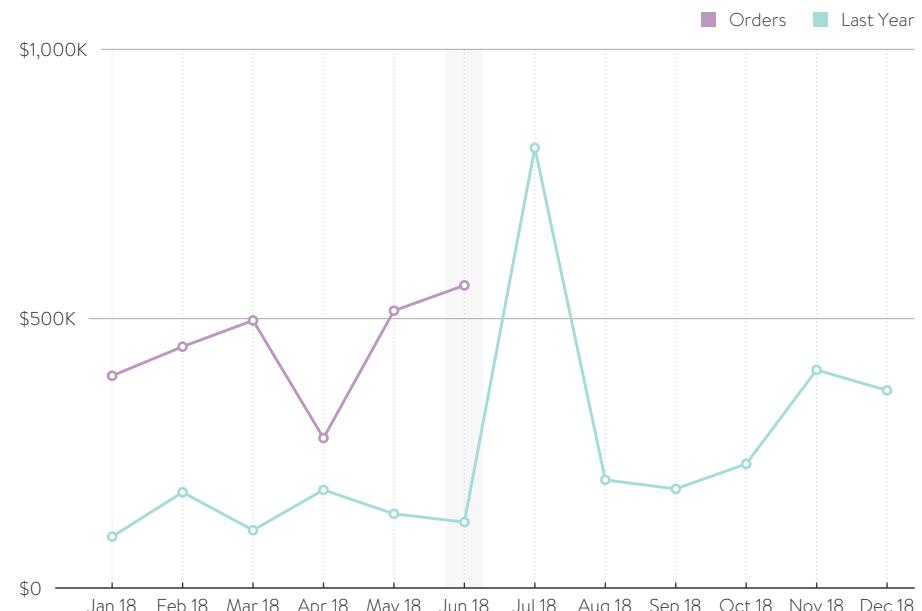
▲ 227.5% from last year (YTD)



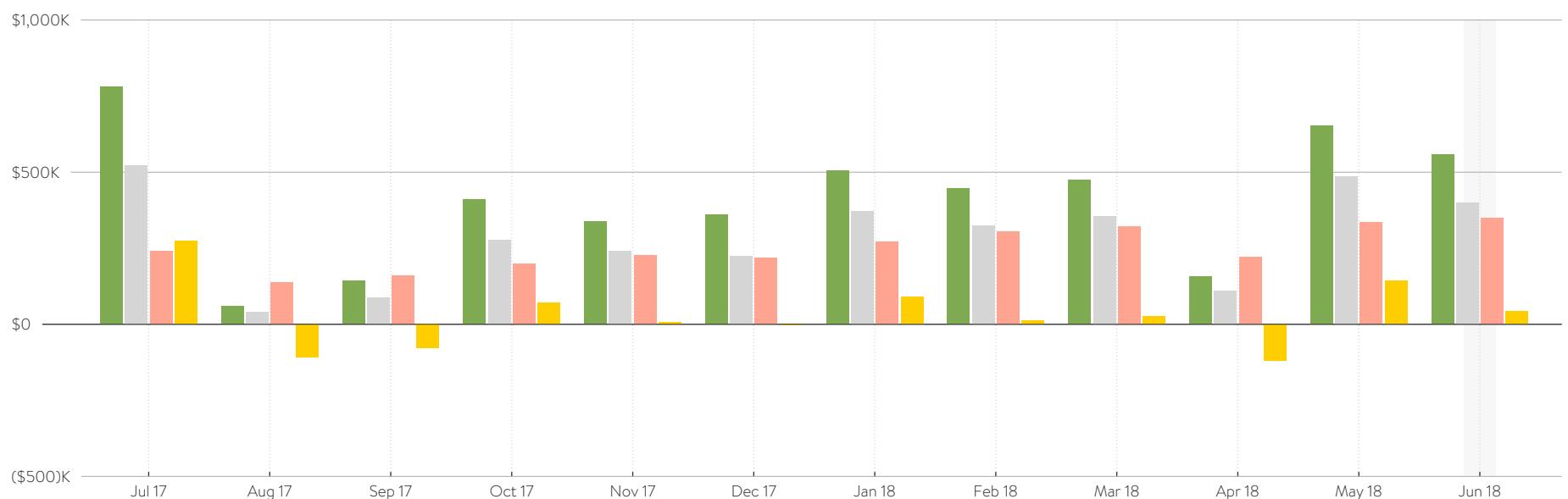
Orders for all time



This year vs last year



Revenue this financial year



KPI Results

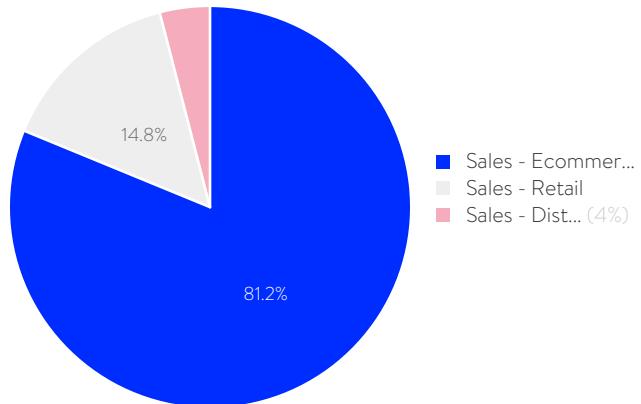
	RESULT	TARGET	TREND		IMPORTANCE
A PROFITABILITY	Q2 2018		vs Q1 2018		
Total Revenue	\$1,369,983	\$1,050,000	✓	▼ -4.1%	Critical
Gross Profit Margin	72.59%	70%	✓	▼ -1.14%	High
Profitability Ratio	6.33%	0%	✓	▼ -4.47%	High
Digital Ads	\$279,194	\$0	✓	▲ 57.1%	Low
B ACTIVITY					
Activity Ratio	3.86 times	2.00 times	✓	▼ -0.76 times	High
Accounts Receivable Days *	13.00 days	30.00 days	✓	▲ 5.00 days	Medium
Inventory Days *	83.00 days	120.00 days	✓	▲ 53.00 days	Medium
Accounts Payable Days	89.00 days	45.00 days	✓	▲ 48.00 days	Medium
C EFFICIENCY					
Return on Equity	51.51%	15%	✓	▼ -82.58%	High
Return on Capital Employed	24.41%	12.5%	✓	▼ -25.53%	High
Fulfillment/Revenue *	2%	0%	✗	▼ 0%	Low
D ASSET USAGE					
Asset Turnover	3.03 times	5.00 times	✗	▼ -0.77 times	Medium
E LIQUIDITY					
Current Ratio	2.58:1	2.00:1	✓	▲ 0.91:1	Medium
Quick Ratio	1.69:1	1.00:1	✓	▲ 0.37:1	Medium
F COVERAGE					
Interest Cover	17.07 times	2.00 times	✓	▼ -2.66 times	Medium
Debt Payback *	3.04 Yrs	5.00 Yrs	✓	▲ 1.68 Yrs	High
G GEARING					
Debt to Equity *	138.94%	100%	✗	▲ 1.8%	High
Debt to Total Assets *	45.75%	50%	✓	▼ -1.78%	Low
H CASH FLOW					
Cash on Hand	\$808,524	\$400,000	✓	▼ -5.4%	Medium
Cash Flow Margin	-10.61%	120%	✗	▼ -20.72%	Low
Net Variable Cash Flow	35.52%	0%	✓	▼ -6.73%	Medium

	RESULT	TARGET	TREND		IMPORTANCE
I GROWTH	Q2 2018		vs Q1 2018		
Revenue Growth	-4.1%	10.67%	✗	▼ -32.95%	Critical
Gross Profit Growth	-5.58%	10.67%	✗	▼ -47.97%	Medium
EBIT Growth	-43.81%	0.5%	✗	▼ -106.35%	High
Asset Change	18.78%	0.74%	✓	▲ 3.26%	Low
Equity Change	12.84%	0.74%	✓	▼ -20.22%	Low
Orders	\$1,354,960	\$0	✓	▲ 1.2%	High
Order Growth %	0%	0%	✓	▲ 0%	Low

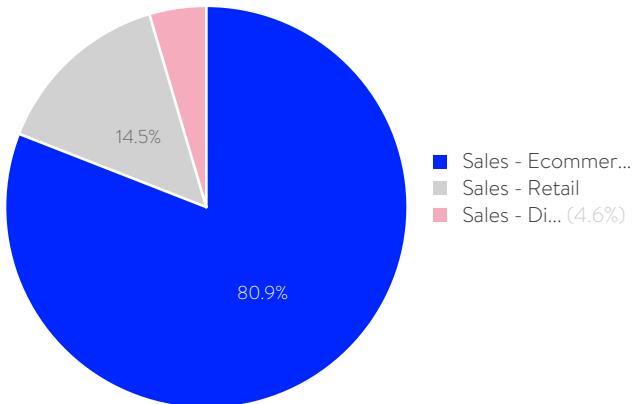
* For this metric, a result below target is favourable

Sales Channel Mix

Revenue Mix (Quarter)



Revenue Mix (2018 YTD)



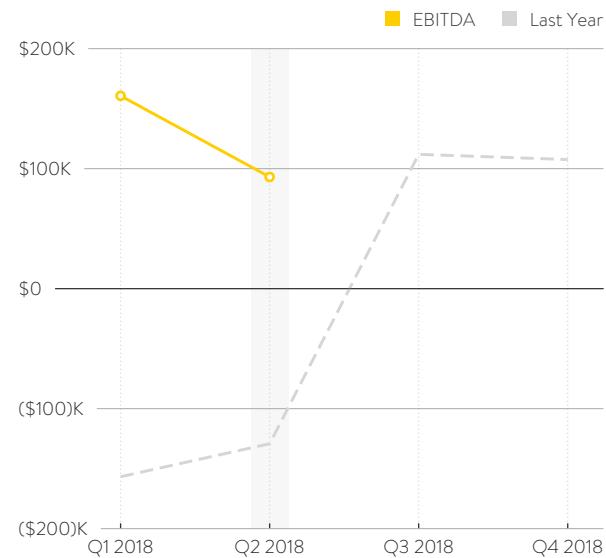
Profitability Charts

EBIT

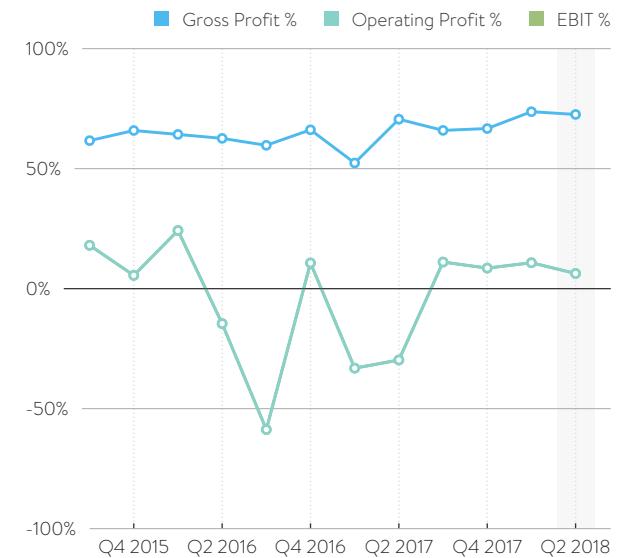
\$86,718

EBIT

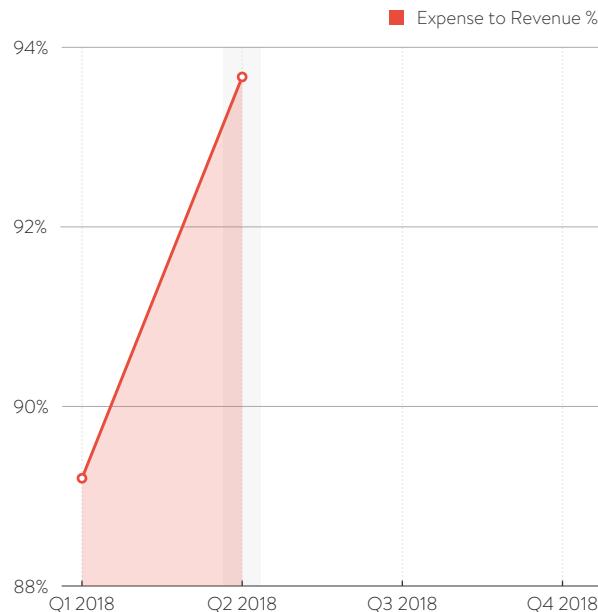
EBITDA - This year vs last year



Profit Margins (%) Last 12 months



Expense-to-Revenue (%)



Cost of Sales breakdown

Cost of Goods Sold	\$365,460
Financing Charge	\$10,079
Inbound Shipping	\$0
Customs Duties & Tax Expense	\$0
Cost of Goods Sold:Drop Ship	\$0
Cost of Goods Sold:Rework	\$0

Revenue breakdown

Sales - E-commerce	\$1,152,896
Sales - Retail	\$209,599
Sales - Distributor	\$57,179
Other Revenue	\$4,517
Shipping Income	\$2,998
Sales Discounts	(\$732)
Sales Returns	(\$56,475)

Cash Flow - YTD

Operating Cash Flow (2018 YTD)

(\$852)

Operating cash flow is simply the cash generated by the operating activities of the business. Operating activities include the production, sales and delivery of the company's product and/or services as well as collecting payment from its customers and making payments to suppliers.

Free Cash Flow (2018 YTD)

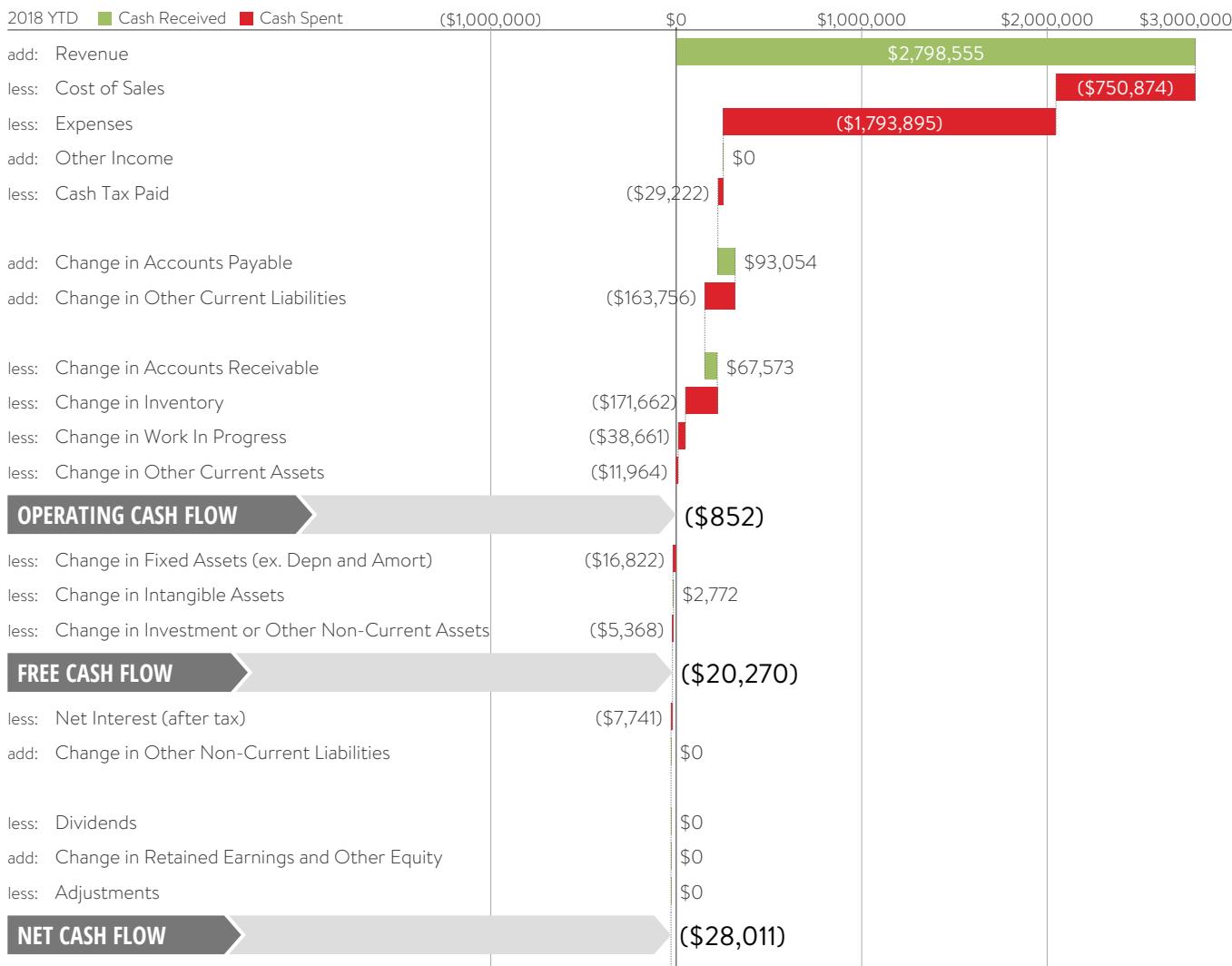
(\$20,270)

Free cash flow is the cash generated by the business, after paying its expenses and investing for future growth. It is the cash left after subtracting capital expenditure from operating cash flow. The term "free cash flow" is used because this cash is free to be paid back to the suppliers of capital.

Net Cash Flow (2018 YTD)

(\$28,011)

Net cash flow is the cash left after subtracting expenditures from financing activities from the free cash flow. This includes the cash impact from financing activities. Financing activities include the inflow of cash from investors such as banks or shareholders, as well as the outflow of cash to shareholders as dividends.



Net Cash Flow can also be calculated as:

Change in Cash on Hand \$329,704 (Open: \$478,821, Close: \$808,524) — Change in Debt \$357,715 (Open: \$470,855, Close: \$828,569)

Growth

Revenue Growth

-4.1%

A measure of the percentage change in revenue for the period.

EBIT Growth

-43.81%

A measure of the percentage change in EBIT for the period.

Asset Change

18.78%

A measure of the percentage change in Total Assets for the period.

Change in Key Drivers (from prior quarter)

Revenue
Down -4.1%

Cost of Sales
Up 0.1%

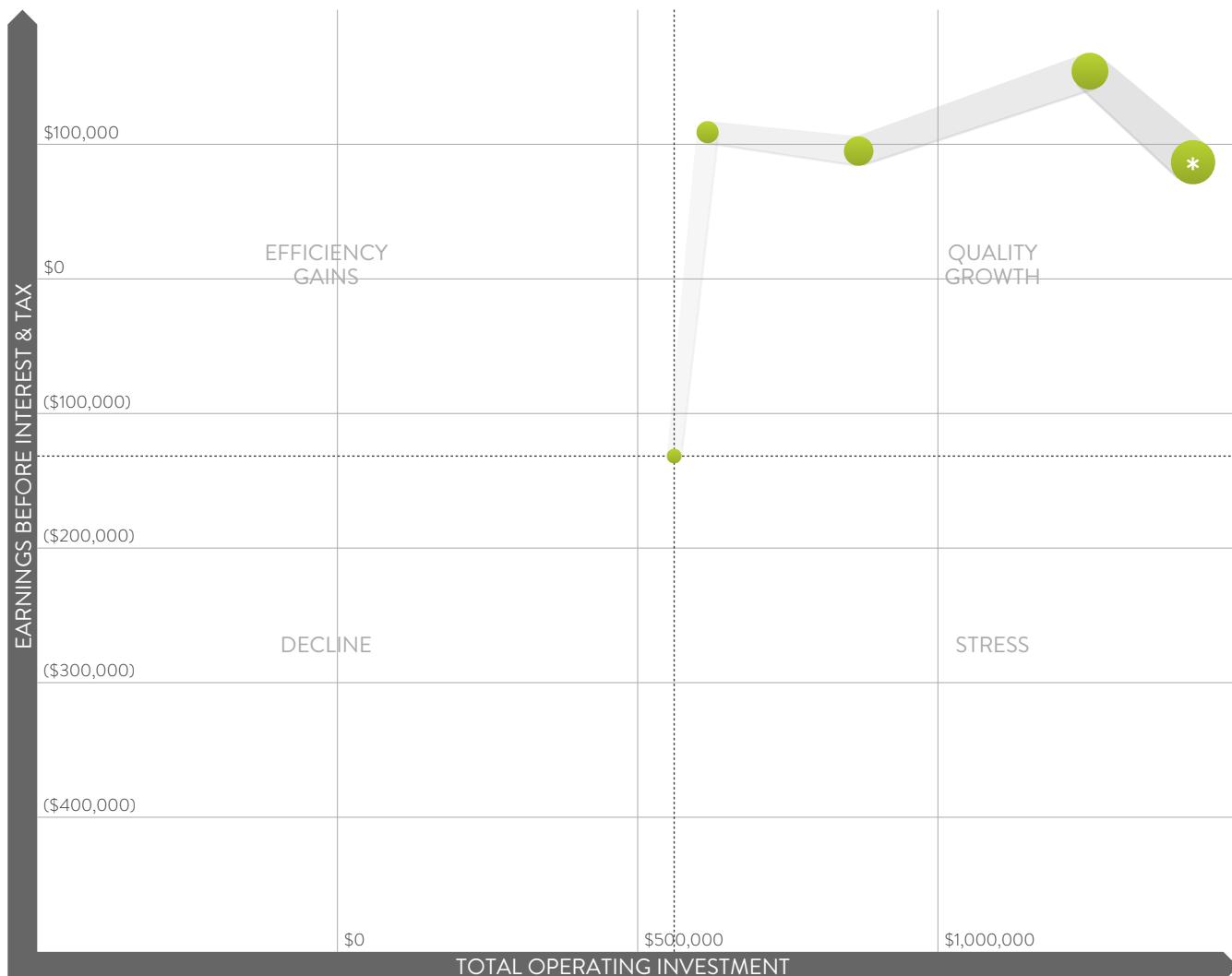
Expenses
Up 1%

Receivable Days
Up 62.5 days

Inventory Days
Up 176.7 days

Payable Days
Up 117.1 days

GROWTH FROM Q2 2017 to Q2 2018



* Total Operating Investment \$1,424,902; Earnings Before Interest & Tax \$86,718

↔ Size of the circle shows the recency of the result

↑ Vertical position of the circle shows the growth in Earnings Before Interest & Tax

→ Horizontal position of the circle shows the growth in Total Operating Investment

Financials

Income Statement & Balance Sheet Quarter vs Quarter

PROFIT & LOSS		Q2 2018	Q1 2018	This quarter vs last quarter (%)
Revenue		\$1,369,983	\$1,428,572	-4.1%
Cost of Sales		\$375,539	\$375,334	0.05%
Gross Profit		\$994,444	\$1,053,238	-5.58%
Expenses		\$907,726	\$898,909	0.98%
Operating Profit		\$86,718	\$154,329	-43.81%
Interest Expenses		\$5,081	\$7,821	-35.02%
Earnings Before Tax		\$81,637	\$146,508	-44.28%
Tax Expenses		\$13,767	\$15,200	-9.43%
Retained Income		\$67,870	\$131,308	-48.31%
BALANCE SHEET		Q2 2018	Q1 2018	This quarter vs last quarter (%)
ASSETS				
Cash & Equivalents		\$808,524	\$854,824	-5.42%
Accounts Receivable		\$199,419	\$131,710	51.41%
Inventory		\$342,866	\$126,130	171.84%
Work in Progress		\$73,380	\$36,284	102.24%
Other Current Assets		\$114,336	\$98,675	15.87%
Total Current Assets		\$1,538,525	\$1,247,624	23.32%
Fixed Assets		\$206,294	\$212,665	-3%
Intangible Assets		\$58,303	\$60,423	-3.51%
Investment or Other Non-Current Assets		\$7,837	\$3,949	98.43%
Total Non-Current Assets		\$272,433	\$277,037	-1.66%
Total Assets		\$1,810,959	\$1,524,661	18.78%
LIABILITIES				
Short Term Debt		\$209,589	\$474,741	-55.85%
Accounts Payable		\$365,379	\$171,265	113.34%
Tax Liability		\$14,529	\$15,666	-7.25%
Other Current Liabilities		\$6,148	\$84,526	-92.73%
Total Current Liabilities		\$595,646	\$746,198	-20.18%
Long Term Debt		\$618,980	\$250,000	147.59%
Total Non-Current Liabilities		\$618,980	\$250,000	147.59%
Total Liabilities		\$1,214,626	\$996,198	21.93%
EQUITY				
Retained Earnings		(\$164,353)	(\$164,353)	0%
Current Earnings		\$199,178	\$131,308	51.69%
Other Equity		\$561,508	\$561,508	0%
Total Equity		\$596,333	\$528,463	12.84%
Total Liabilities & Equity		\$1,810,959	\$1,524,661	18.78%

Income Statement & Balance Sheet - past 4 months.

We were out of stock from mid-July until late-September.

PROFIT & LOSS	Jun 2018	May 2018	Apr 2018	Mar 2018
Revenue	\$559,074	\$652,882	\$158,027	\$474,666
Cost of Sales	\$160,474	\$166,652	\$48,414	\$118,299
Gross Profit	\$398,601	\$486,230	\$109,613	\$356,367
Expenses	\$350,398	\$334,855	\$222,472	\$322,627
Operating Profit	\$48,202	\$151,375	(\$112,859)	\$33,740
Interest Expenses	\$43	\$2,653	\$2,386	\$2,455
Earnings Before Tax	\$48,159	\$148,722	(\$115,245)	\$31,285
Tax Expenses	\$4,377	\$5,045	\$4,344	\$3,522
Retained Income	\$43,782	\$143,677	(\$119,589)	\$27,763
BALANCE SHEET	Jun 2018	May 2018	Apr 2018	Mar 2018
ASSETS				
Cash & Equivalents	\$808,524	\$728,832	\$698,546	\$854,824
Accounts Receivable	\$199,419	\$162,669	\$83,533	\$131,710
Inventory	\$342,866	\$271,946	\$134,881	\$126,130
Work in Progress	\$73,380	\$75,704	\$88,261	\$36,284
Other Current Assets	\$114,336	\$107,963	\$87,330	\$98,675
Total Current Assets	\$1,538,525	\$1,347,113	\$1,092,551	\$1,247,624
Fixed Assets	\$206,294	\$208,417	\$210,542	\$212,665
Intangible Assets	\$58,303	\$60,187	\$62,312	\$60,423
Investment or Other Non-Current Assets	\$7,837	\$7,729	\$7,729	\$3,949
Total Non-Current Assets	\$272,433	\$276,332	\$280,583	\$277,037
Total Assets	\$1,810,959	\$1,623,445	\$1,373,134	\$1,524,661
LIABILITIES				
Short Term Debt	\$209,589	\$280,368	\$346,320	\$474,741
Accounts Payable	\$365,379	\$410,349	\$154,301	\$171,265
Tax Liability	\$14,529	\$16,811	\$8,301	\$15,666
Other Current Liabilities	\$6,148	\$2,519	\$205,338	\$84,526
Total Current Liabilities	\$595,646	\$710,047	\$714,260	\$746,198
Long Term Debt	\$618,980	\$360,847	\$250,000	\$250,000
Total Non-Current Liabilities	\$618,980	\$360,847	\$250,000	\$250,000
Total Liabilities	\$1,214,626	\$1,070,894	\$964,260	\$996,198
EQUITY				
Retained Earnings	(\$164,353)	(\$164,353)	(\$164,353)	(\$164,353)
Current Earnings	\$199,178	\$155,396	\$11,719	\$131,308
Other Equity	\$561,508	\$561,508	\$561,508	\$561,508
Total Equity	\$596,333	\$552,551	\$408,874	\$528,463
Total Liabilities & Equity	\$1,810,959	\$1,623,445	\$1,373,134	\$1,524,661

Income Statement & Balance Sheet - 2017 v 2016

PROFIT & LOSS	2018 (YTD)	2017 (YTD)	Variance (\$)	Variance (%)
Revenue	\$2,798,555	\$922,580	\$1,875,975	203.34%
Cost of Sales	\$750,874	\$358,689	\$392,185	109.34%
Gross Profit	\$2,047,681	\$563,891	\$1,483,790	263.13%
Expenses	\$1,806,635	\$854,441	\$952,194	111.44%

	2018 (YTD)	2017 (YTD)	Variance (\$)	Variance (%)
Operating Profit	\$241,047	(\$290,550)	\$531,597	182.96%
Interest Expenses	\$12,902	\$22,885	(\$9,983)	-43.62%
Earnings Before Tax	\$228,145	(\$313,434)	\$541,579	172.79%
Tax Expenses	\$28,967	\$23,413	\$5,553	23.72%
Retained Income	\$199,178	(\$336,848)	\$536,026	159.13%
BALANCE SHEET	2018 (YTD)	2017 (YTD)	Variance (\$)	Variance (%)
ASSETS				
Cash & Equivalents	\$808,524	\$169,048	\$639,476	378.28%
Accounts Receivable	\$199,419	\$110,948	\$88,471	79.74%
Inventory	\$342,866	\$49,358	\$293,508	594.65%
Work in Progress	\$73,380	\$95,966	(\$22,586)	-23.54%
Other Current Assets	\$114,336	\$42,518	\$71,818	168.91%
Total Current Assets	\$1,538,525	\$467,838	\$1,070,688	228.86%
Fixed Assets	\$206,294	\$128,744	\$77,550	60.24%
Intangible Assets	\$58,303	\$54,430	\$3,873	7.11%
Investment or Other Non-Current Assets	\$7,837	\$0	\$7,837	-
Total Non-Current Assets	\$272,433	\$183,174	\$89,259	48.73%
Total Assets	\$1,810,959	\$651,012	\$1,159,947	178.18%
LIABILITIES				
Short Term Debt	\$209,589	\$77,079	\$132,510	171.92%
Accounts Payable	\$365,379	\$39,246	\$326,133	830.99%
Tax Liability	\$14,529	\$3,437	\$11,093	322.78%
Other Current Liabilities	\$6,148	\$47,557	(\$41,408)	-87.07%
Total Current Liabilities	\$595,646	\$167,319	\$428,328	256%
Long Term Debt	\$618,980	\$250,000	\$368,980	147.59%
Total Non-Current Liabilities	\$618,980	\$250,000	\$368,980	147.59%
Total Liabilities	\$1,214,626	\$417,319	\$797,308	191.05%
EQUITY				
Retained Earnings	(\$164,353)	\$9,033	(\$173,386)	-1,919.4%
Current Earnings	\$199,178	(\$336,848)	\$536,026	159.13%
Other Equity	\$561,508	\$561,508	\$0	0%
Total Equity	\$596,333	\$233,693	\$362,639	155.18%
Total Liabilities & Equity	\$1,810,959	\$651,012	\$1,159,947	178.18%