



Board of Directors Meeting – Q1 2019

April 23, 2019

Monthly Operating Review Meeting Agenda

- ➔ **Executive Summary**
- ➔ Financial Review
- ➔ Governance Reporting
- ➔ Appendix

Hits

- March bookings were \$3.1M and invoiced sales were \$3.8M, compared to target of \$2.9M. Q1 invoiced sales of nearly \$9M exceeded target of \$8.2m.
- MTD EBITDA – \$294k compared to target of (\$259k), QTD EBITDA – (\$111k) compared to target of (\$576k)
- Strong Solstice subscription renewal results - \$292K against a target of \$265k.
- Record upfront solstice invoiced sales of \$371k compared to budget of \$275k.
- Overall Q1 Solstice subscription sales (renewal + upfront) was \$1.6m against a target of \$1.4m
- Strong month for order volume – 770 (trending up from Feb-19)
- New customers – 198 (trending flat for month)
- Large orders for Wework (\$260k), Bradley University (\$235k) and Booz Allen Hamilton (\$165K).
- Office remodel planning has begun – architectural plans have been formalized, next step is contactor bid request
- Organization/Key Hires
 - Staffing by geo – Denver (84), US field (24), international field (12) = 120
 - Staffing by function – Tech (44), Sales (43), Marketing (12), Finance/Ops/HR (21)
 - Chief People Officer – Michelle Anastasi - start date of 4/22
 - Sales Ops Director – Craig Creuziger – start date of 4/30
- Customer Adoption
 - Continued strong sales from existing customers – WeWork \$260K, Bradley University \$234K, Booz Allen Hamilton \$164K, Mercy Health \$75K, ETH Zurich \$40K, Mastercard \$61K, Capital One \$35K, Proctor & Gamble \$32K
 - New deals – Unum Group \$40K, PLMJ \$34K, University of East Anglia \$21K, Brinker Group \$21K

Executive Summary (Continued)

Misses

- Staffing – Mat Pols – sales ops – terminated, Faith Atkins – Director of HR – resignation (still working part time under contract)

Key Go-Forward Actions

- Ongoing culture development with focus on effective new hire onboarding and assimilation with tenured staff, support of monthly employee team building gatherings and onsite wellness activities. **Exploring initiative for Mersive University for internal product training.**
- **Investigate phantom stock program**
- **With 4.0/G3 released we are reexamining a low cost Enterprise version of Solstice based on the G2i HW platform**
- Flexera – need to update version based on subscription and maintenance data reporting requirements
- Revisit thinking around offering Solstice license software as part of a subscription pricing model

Executive Summary – Risks and Challenges

Description	Potential Impact	Plan to Address
<ul style="list-style-type: none"> G3 transition 	<ul style="list-style-type: none"> Sales shortfall Discounting on G2i margin impact Customer trade-in cost impact Inventory shortage Distributor inventory 	<ul style="list-style-type: none"> Nearly \$2M in G3 based product shipped since launch in late March Early indications from both internal testing and customers feedback is that this is the most stable version of Solstice to date Still tracking policy changes including power supplies and HDMI cables as separate line items, bulk packaging High activity level around G3 upgrades
<ul style="list-style-type: none"> VP Engineering hire 	<ul style="list-style-type: none"> Need to extend span of control and increase level of leadership in Engineering 	<ul style="list-style-type: none"> Tae now has 30 days under his belt and has proposed a number of changes including role/responsibility, organizational structure and release methodology.
<ul style="list-style-type: none"> AV industry 	<ul style="list-style-type: none"> Competitors lowering prices, financial issues at Barco, Plantronics/Polcom looking for buyer, Logitech pulls back bid on Plantronics - \$2B Continued competitive pressure from Zoom Working on room system integration with Zoom 	<ul style="list-style-type: none"> Marketing programs and resources targeted at IT end users Target Zoom with specific marketing resources such as video, topic specific webinars and position papers Solstice Room Link (aka VTC integration) underway = objective is to have a prototype running at Infocom in June
<ul style="list-style-type: none"> Improve margin/EBITDA while continuing to invest and grow 	<ul style="list-style-type: none"> Failure to take advantage of market timing and growth 	<ul style="list-style-type: none"> Terminate BTX and move to direct reseller model in US (\$1.5M) - done, repackage/reprice software subscription services (maintenance) (\$1.2M) - done, take renewal subscriptions direct – done Reduce BOM by making PS optional, or charging where applicable (now that we have POE) - done
<ul style="list-style-type: none"> HR/Staffing/Comp 	<ul style="list-style-type: none"> We need to upgrade leadership to move from tactical/admin to strategic initiatives 	<ul style="list-style-type: none"> Hire VP HR in Q1 – done MBO program – done 401K match – done Phantom stock - investigating
<ul style="list-style-type: none"> Sales Team Productivity 	<ul style="list-style-type: none"> Failure to hit FY target, exploit competitors weaknesses, leverage market growth and timing 	<ul style="list-style-type: none"> Hire Sales Ops Director - done Determine whether Salesforce or Netsuite is the right go forward for CRM and sales forecasting Investigating internal product training – Mersive Academy
<ul style="list-style-type: none"> Recurring revenue 	<ul style="list-style-type: none"> Impact on enterprise value Target incremental business with Opex model 	<ul style="list-style-type: none"> Investigate whether there are additional ways to increase current subscription attach rates Examine whether a subscription model for license software is viable given channel constraints and end user budget and firewall constraints

Executive Summary – Q1 OKR

	2019 Corporate Priorities	Corporate Quarterly Objectives - Q1 2019	Key Result - As measured by	Owner	% Achieved	Status
1	Successfully Launch Gen3 Product	Launch Gen3 Product - port SW	Solstice 4.0 completed in February with HDMI-in, 4k, POE, dual-HDMI-out mirroring/span/extend, top bug fixes, Ink, OpenControl API extensions, 10 new languages, security testing complete	Jon	100%	4/15: 100% features delivered with justified delay to schedule in order to address stability and quality. Completed Rec'd 6,500 of appr. 10,000 expected
		GTM Launch of Gen 3 / 4.0	Execute on content creation for product email campaigns, web pages, and video per launch plan	Martin/Chris		
		Meet supply chain timing & target for Gen3 Pods	2,500 pods in Jan; 5,000 pods rec'd in Feb & Mar	Dan/Rob/Chris		
2	Scale Sales Organization	Develop & communicate sales plan for Gen3	Finalize/socialize messaging by launch date	Rick/Troy	100%	Nordics RSM role still open but have 2 candidates. Offer pending for UK channel manager Offer accepted mid April with start date on 4/29
		International hires	Hire to plan and/or exception hires identified	Rick	75%	
		Hire Sales Operations Director	Employee hired by 3/31	Rick	100%	
3	Ensure Product Roadmap Drives Market Adoption	Meet or exceed Q1 product release schedule (incl. 4.0 and G3)	Deliver the following scope features to market by end of Q1: HDMI-in, Dual-HDMI-out mirror/span/extend, 4k, POE, Ink, Custom Instructions, Internationalization, Kepler maintenance renewal workflow. Releases go live within 7 days of target dates.	Chris/Jon	100%	4/15: 100% features delivered by end of Q1 with justified delay to schedule in order to address stability and quality. 3/14: 100% complete (3 time-based issues, 2 memory leak, 1 stability, 4 support escalations)
		Hire VP of Development	Executive hired by 3/31	Rob	100%	
		Improve Solstice Quality	10 P1 tech debt bugs fixed by end of Q1 (existing stability, automation, escalations, etc)	Jon	100%	
4	Scale Marketing and Support	Create new brand assets	Create custom photo library by 1/31, create brand architecture and messaging by 3/31, create custom video library by 3/31, complete Gartner Peer Insights page with 25 reviews by 3/31	Martin		All completed except 1) Gartner Peer Insights where we achieved 7 of 25 reviews and 2) brand architecture which is about two-thirds complete. All completed. All completed. All completed.
		Launch worldwide digital web presences and lead generation	Finalize lead gen plan by 1/31, launch 4 EMEA microsites by ISE, launch 2 APAC microsites by Feb 28, start reporting lead conversion to new accounts by 2/28, launch redesigned corp site by 3/31	Martin		
		Scale field marketing internationally	Successful ISE execution Feb 5-8, EMEA Engage event plan finalized by 2/28	Martin		
		Scale product marketing / support processes	Launch improved support dashboard by 1/31, refactor / launch updated battle sheets by 2/28, implement new prod doc process as part of Gen 3 launch, move to account-based support model by 3/31	Martin		
5	Invest in our people	Implement Company wide MBO Program	Communicated MBO program; developed Q1 dept objectives aligned with Corp objectives	Dan	100%	Complete Several candidates interviewed by Rob. Hire date anticipated in April. Complete RSM developing Contract Management Module functionality. Mersive preparing SF data for upload. Expected go live is now April due to customer development requirements necessary to meet Mersive functional requirements. On hold pending RSM developing functionality it Netsuite. Departure of Controller has set us back.
		Hire VP of HR	Executive hired by 3/31	Rob		
		Implement Q1 OKR Program - depart only	Depart level OKRs created and communicated	Dan	100%	
6	Improve business intelligence reporting	Develop Recurring Revenue Reporting	Monthly rolling recurring revenue report created	Dan	75%	
		Implement Contract Management in NetSuite	Contract management module live in NetSuite	Dan	75%	
		Develop key operating metrics report - P vs A	Create/report weekly budget related ops metrics	Dan	25%	

Executive Summary – Q2 OKR

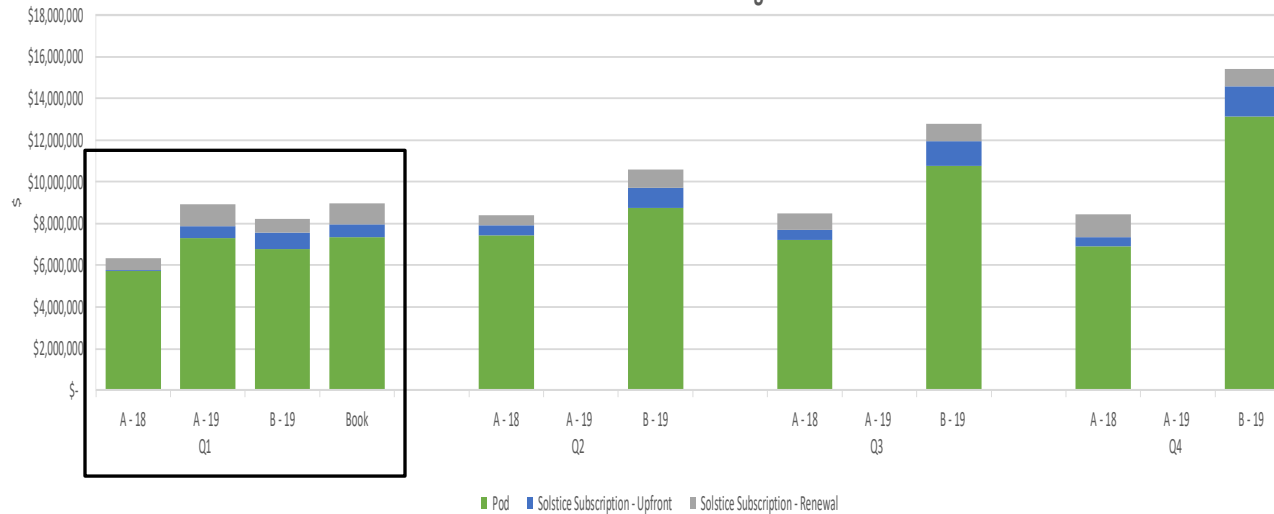
	2019 Corporate Priorities	Corporate Quarterly Objectives - Q2 2019	Key Result - As measured by	Owner	% Achieved	Status
	Successfully Launch Gen3 Product	GTM Launch of Gen 3 / 4.0		Martin/Chris		MP: I'm assuming this whole priority (rows2-4) goes away since we have already launched CJ: Added certification work as it's still partially underway
		Meet supply chain timing & target for Gen3 Pods	Finalize international certifications, silkscreening	Dan/Rob/Chris		
2	Scale Sales Organization	Optimize Lead/Cash Workflow	Implement initial set of email workflows for inbound touchpoints 5/6; Augment contact database with 3rd party data service 5/31	Martin/Rick		CJ: Added the launch of overlook to customers for testing purposes. JB: updated corporate objective and added key result language, added Tae JB: added this KR, added Tae
		Hiring - ANZ, inbound sales, Sales Ops Coordinator, Inside Acct Mgr, Nordics RSM, UK Channel Mgr, EMEA Support tech	Hire to plan and/or exception hires identified	Rick		
		Hire Mid Atlantic RSD replacement	Hire to plan	Rick		
3	Ensure Product Roadmap Drives Market Adoption	Fulfill Q2 release milestones at agreed upon scope and timing	Release 4.1 at designated scope within 7 days of target release date of 5/29. Achieve RoomLink alpha milestone for Infocomm, no later than 6/7. Launch and evaluate Overlook (occupancy) accuracy with at least 3 enterprise customers.	Chris/Jon/Tae		
		Improve Solstice Quality	10 P1 tech debt bugs fixed by end of Q2 (existing stability, automation, escalations, etc)	Jon/Tae		
4	Scale Marketing and Support	Standardize branding / messaging	Complete brand architecture and messaging 5/31; Launch brand campaign 6/17	Martin		
		Scale digital marketing	Launch revamped social strategy 4/1; Launch segment-customized website copy for account-based marketing 5/31; Refresh content on partner websites 5/31	Martin		
		Scale field marketing internationally	Execute 5 field events in April; Execute 7 field events in May including Solstice Engage Germany; execute 3 field events in June including Solstice Engage Italy	Martin		
		Scale product marketing / support processes	Scale up competitive campaigns 5/20; Launch customer success process 6/1; Decide on recommendation on low-cost edition to present to BOD 6/28	Martin		
5	Invest in our people	Rollout 401K matching program	All company presentation	Dan		
		Hire VP of HR	On Board new VP of HR	Rob		
		Implement Q1 OKR Program - depart only	Continue with Q2 OKR program	Dan		
6	Improve business intelligence reporting	Develop Recurring Revenue Reporting	Include monthly reporting in MOR & Board deck	Dan		
		Implement Contract Management in NetSuite	Complete and refine processes, procedures & policies	Dan		
		Develop key operating metrics report - P vs A	Implement non-financial reporting metrics in Netsuite	Dan		

Big Wins, Key Deals and Losses

Upcoming Key Deals	Key Losses/Delays
<ul style="list-style-type: none"> • QBE – Pilot went well. Waiting on final decision. 500+ rooms • Accenture – Contract complete. POCs ongoing. Miracast fix req • General Dynamics – Initial 35 units expected in April • FDIC – awaiting order in Q2 - \$100K+ • Expedia HQ – Evaluation for inclusion in new HQ – met at ISE • P&G – In negotiation with procurement. Pricing will be issue • CIBC – 1,200+ rooms over 3 years in Canada – tender out • Altria – 150 room potential for new building – Q2 • MLB – 150 units in NY HQ – Q2 • TJX – came back to Solstice after selecting Cisco • Phoenix Union – dumped Unite. Bidding on 1,700 rooms • CBRE – 500 room potential in Q2 – require vlan tagging/Realtek fix • Comcast - \$155K maintenance renewal + 70 Rooms • McDermott – 200 rooms in Q2 • Northern Trust – 300+ rooms by Q3 • Shell – in the lead for standardization project – 10K rooms over time • LDS Church – Negotiating pricing. 200+ units over 2 years • Conoco – AirMedia proving problematic – VTC req for 300 rooms • LA Rams – 300 units opportunity for new stadium in Q4 • EDF – finalizing evaluation and appears we’ve won 	<ul style="list-style-type: none"> • Microsoft - on hold until Miracast fixed • Stanford Main Campus – on hold pending new CIO evaluation • Bed, Bath and Beyond – sticking with cables for now
Big Wins	
<ul style="list-style-type: none"> • WeWork - \$259K • Bradley University - \$234K • Booz Allen - \$164K • Mercy Health - \$74K • Swarthmore College - \$74K • Santa Rosa JC - \$70K 	<ul style="list-style-type: none"> • Mastercard - \$61K • Laurentian U - \$42K • Independent Bank - \$42K • ETH Zurich - \$40K • Unum Group - \$40K • Capitol One - \$35K

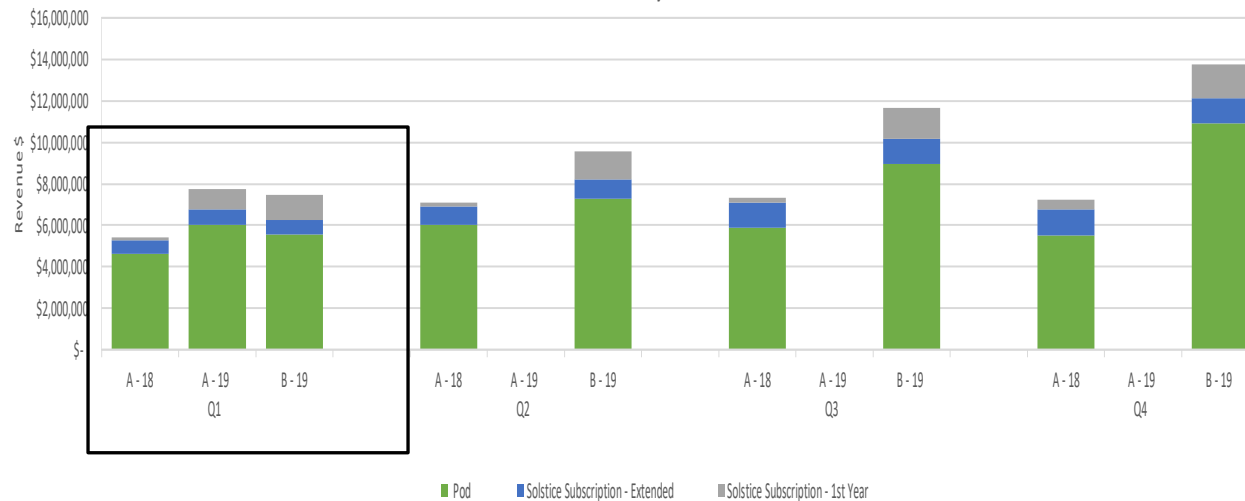
Product Sales Metrics – Q1

Invoiced Sales & Bookings



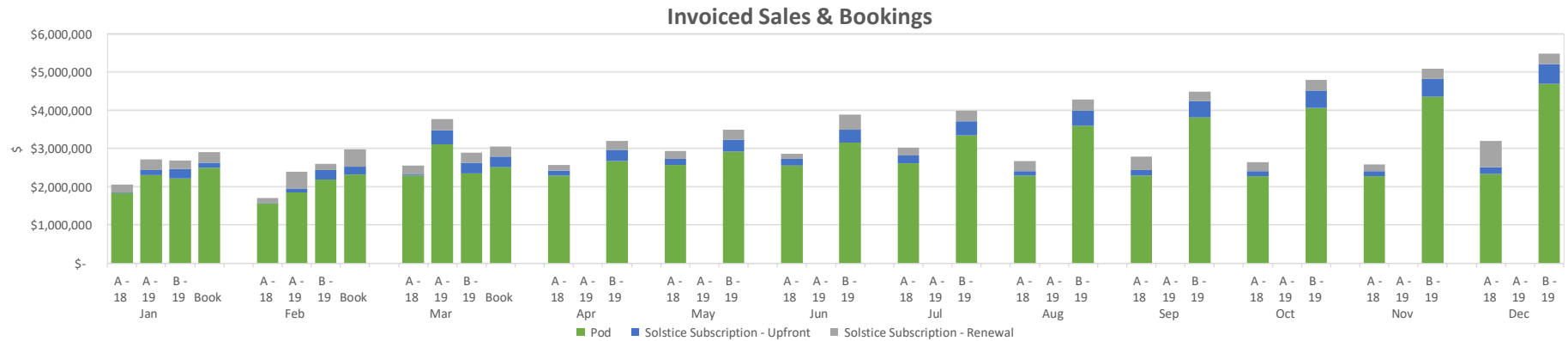
Q1-19 invoiced sales of \$8.9m is \$700K (9%) above budget of \$8.2m and \$2.8M (46%) above same period in 2018.

Revenue by Product

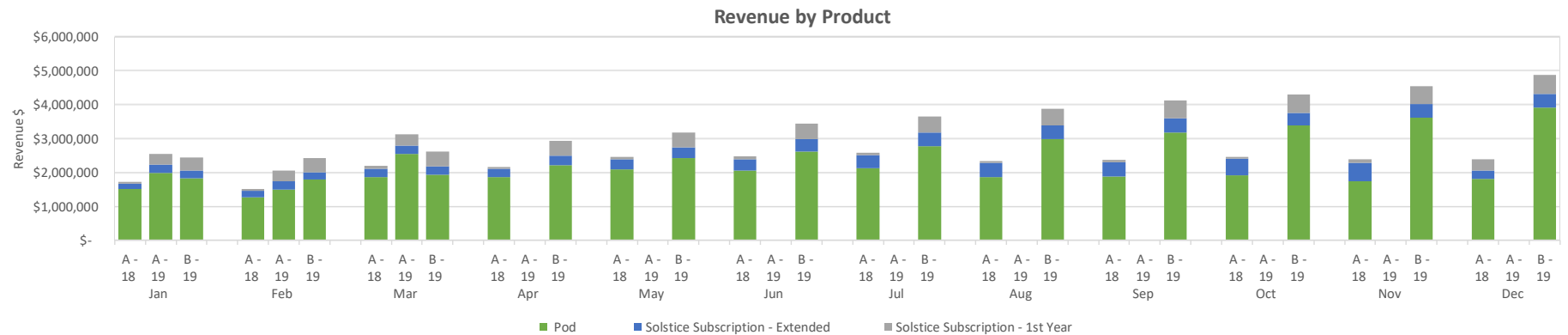


Q1-19 revenue of \$7.7m is \$254K above budget of \$7.5m.

Product Sales Metrics – Monthly Trend



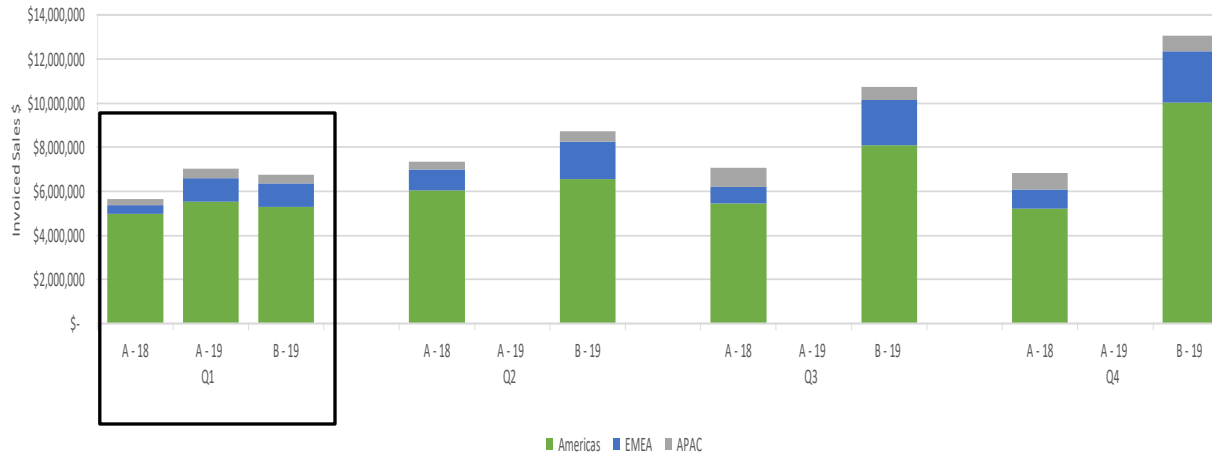
- Graph shows monthly comparatives for invoiced sales and bookings of '18 Actual, '19 Actual, '19 Budget, Bookings actual for Jan & Feb. Future months show '18 Actual and '19 Budget
- Invoiced sales were \$3.8m compared to target of \$2.9m. Bookings were \$3.1m.



- Graph shows revenue comparatives by product type of '18 Actual, '19 Actual & '19 Budget.

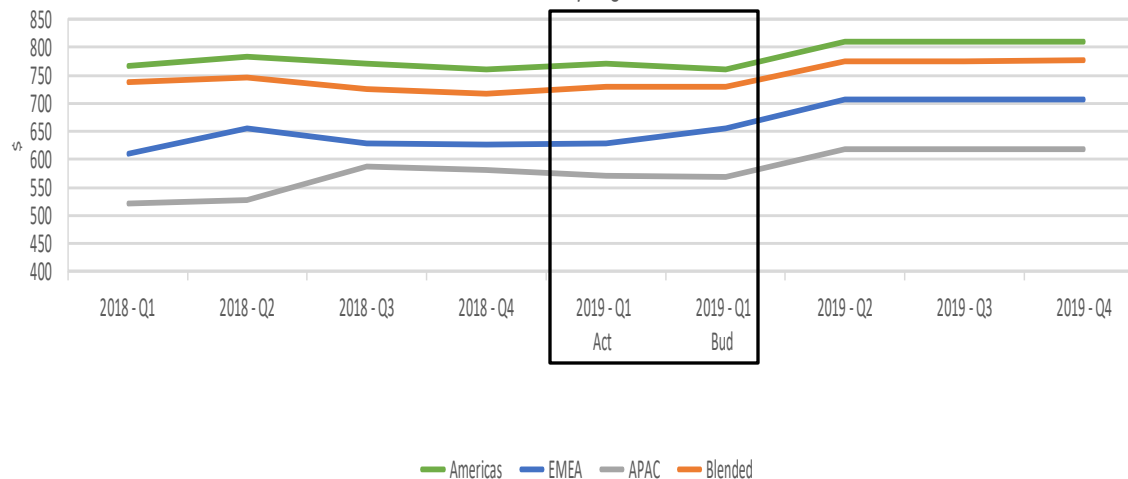
Pod Sales Metrics – Q1

Pod Sales by Region



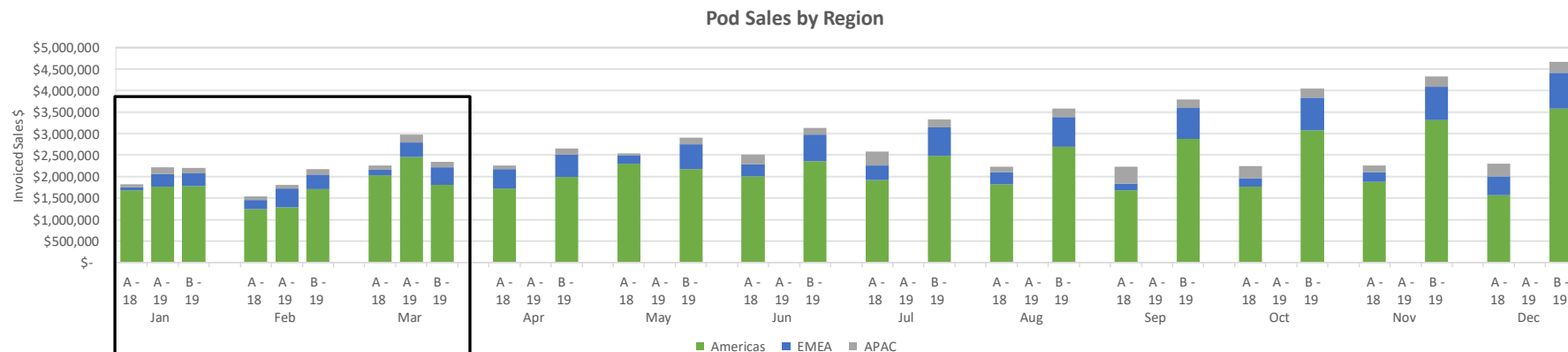
Q1 Pod sales were above budget primarily because of strong performance in the Americas region.

ASP By Region

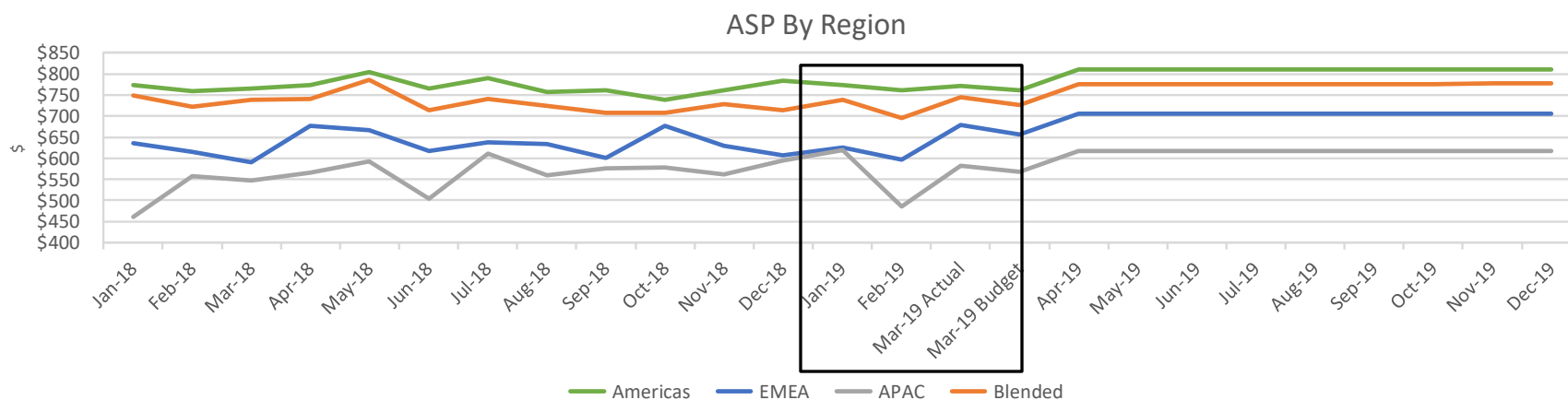


Overall ASP across all regions was \$730, which is consistent with plan of \$729. EMEA and APAC have an overall lower ASP than Americas due to all sales are through distributor channel. Americas ASP was \$770 vs budget of \$761 during Q1.

Pod Sales Metrics – Monthly Trend

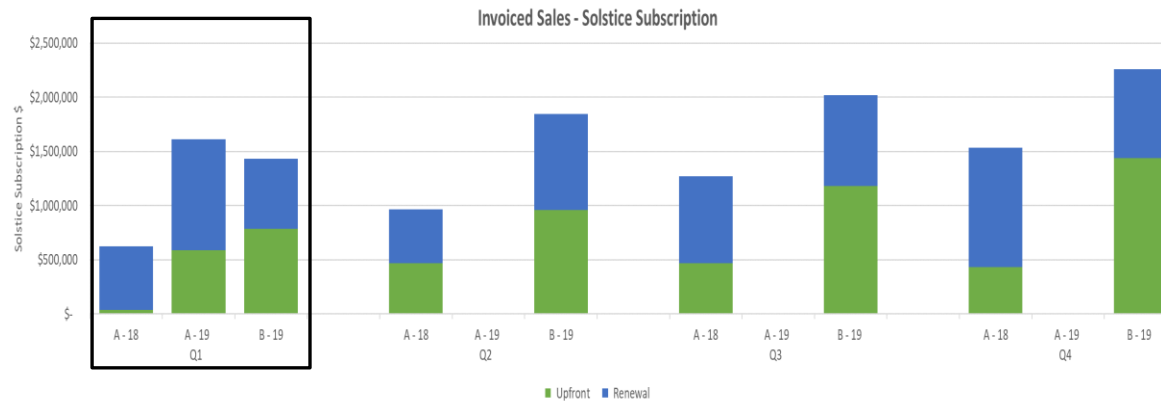


- Graph shows pod invoiced sales only by region comparing Americas, EMEA and APAC comparatives for '18 Actual, '19 Actual & '19 Budget.
- March Pod sales were above budget primarily because of strong performance in the Americas region.

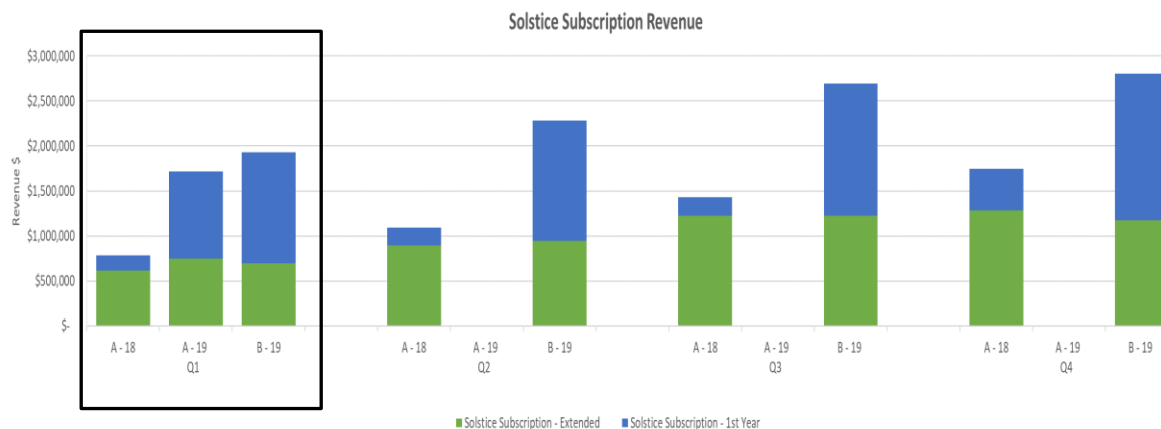


- Graph shows ASP by region historically and planned for remaining 2019
- Overall ASP across all regions was \$746, which is ahead of plan of \$727 due to product and geographical mix. EMEA and APAC have an overall lower ASP than Americas due to all sales are through distributor channel.
- Americas ASP was \$772 vs budget of \$761 in March.

Solstice Subscription Metrics – Q1

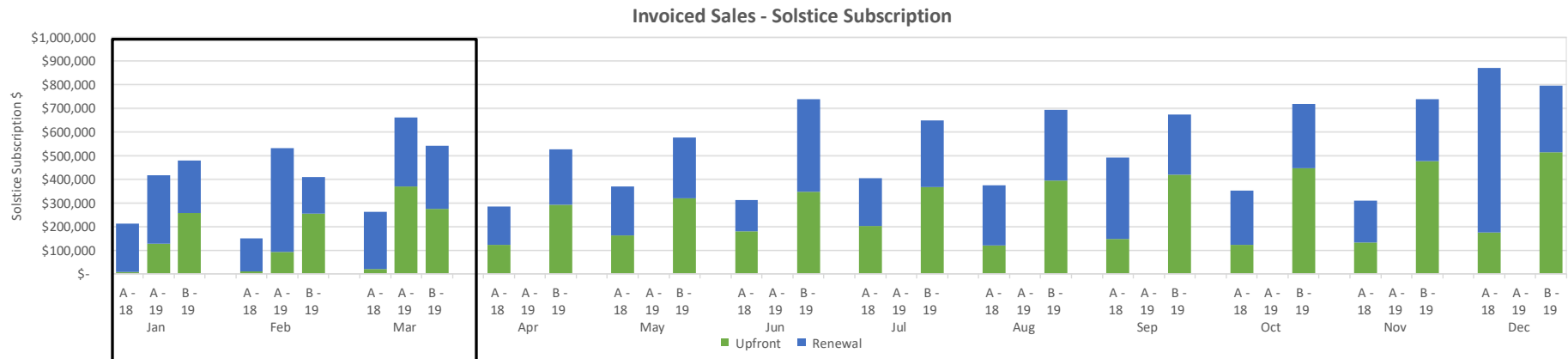


Overall Q1 invoiced sales for Solstice subscriptions was \$1.6m vs. budget of \$1.4m are greater than budget due to renewals exceeding plan.

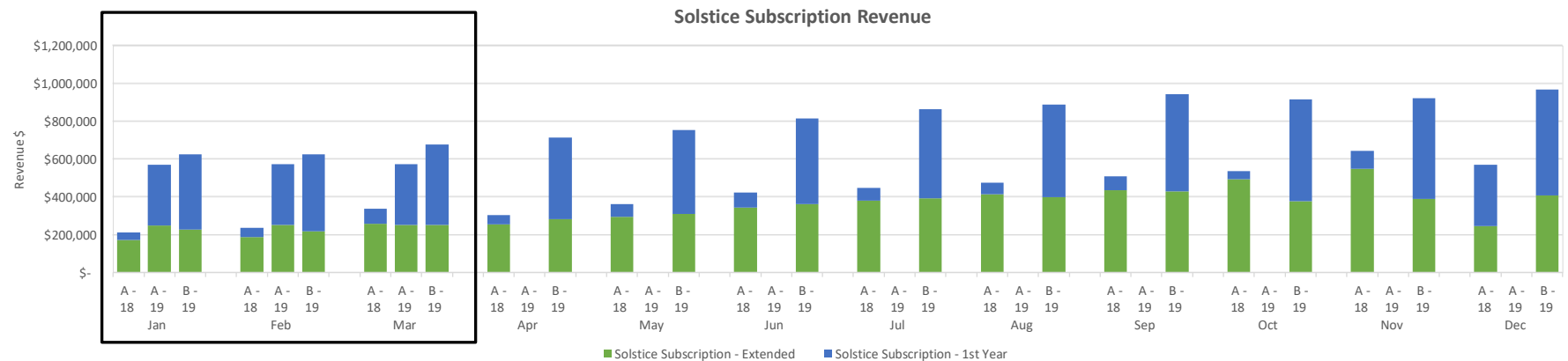


Revenue in Q1 is slightly below budget. Note there is no direct correlation between invoiced sales in a particular month and revenue. Revenue begins upon activation of pod following sell-through from distributor to end user.

Solstice Subscription Metrics – Monthly Trend



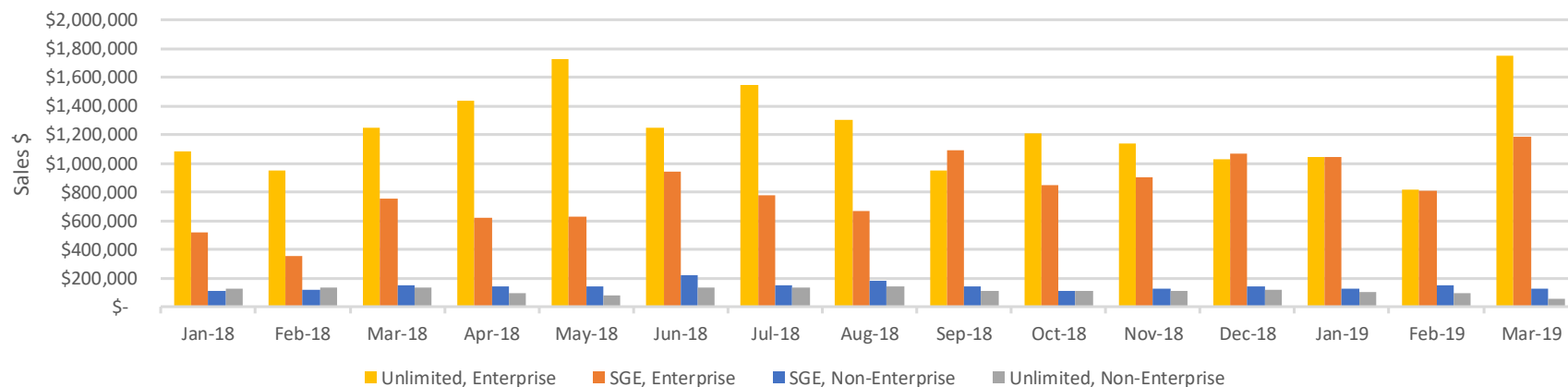
- Graph shows Invoiced Solstice subscription (AKA Maintenance) comparing Upfront versus Renewal comparatives for '18 Actual, '19 Actual and '19 Budget.
- March invoiced sales for Solstice subscriptions was \$662k vs budget of \$541k significantly greater than budget due upfront sales with large orders from Booz Allen and Bradley University.



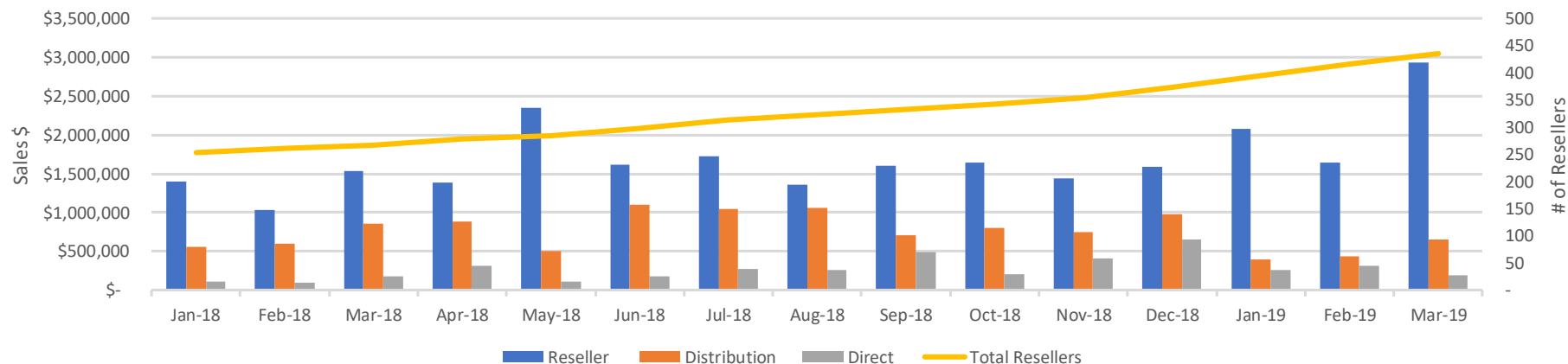
- Graph shows revenue from Solstice subscription (AKA Maintenance) comparing Upfront versus Renewal comparatives for '18 Actual, '19 Actual and '19 Budget.
- Revenue in March is slightly below budget. Note there is no direct correlation between invoiced sales in a particular month and revenue. Revenue begins upon activation of pod following sell-through from distributor to end user.

Product Type & Channel Metrics

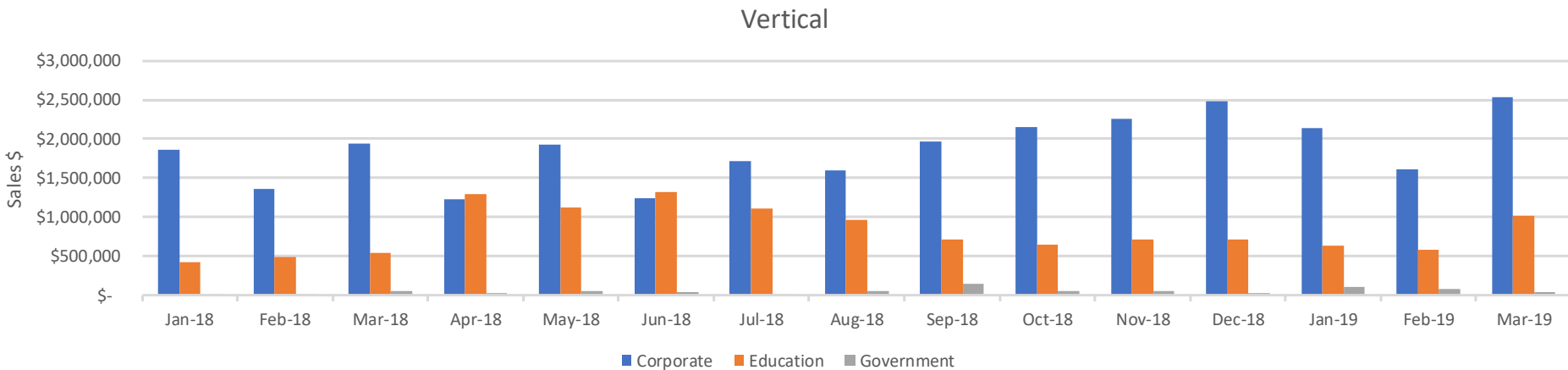
Product Type



Sales Type



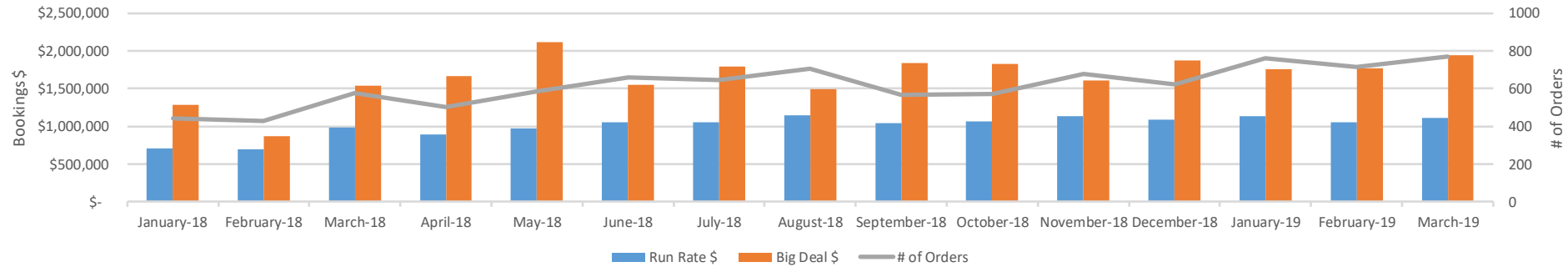
Customer Segment Metrics



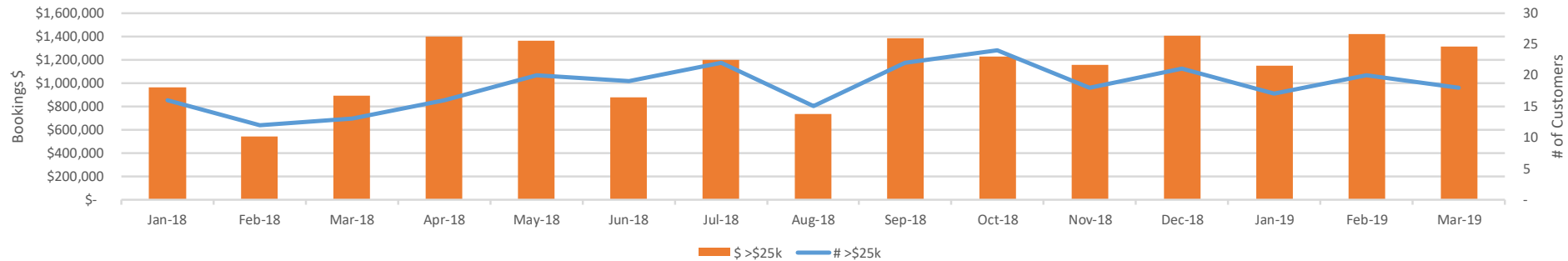
• Invoiced sales excluding stocking orders and including sales out

Big Deals and Run Rate Metrics

Big Deals vs Run Rate



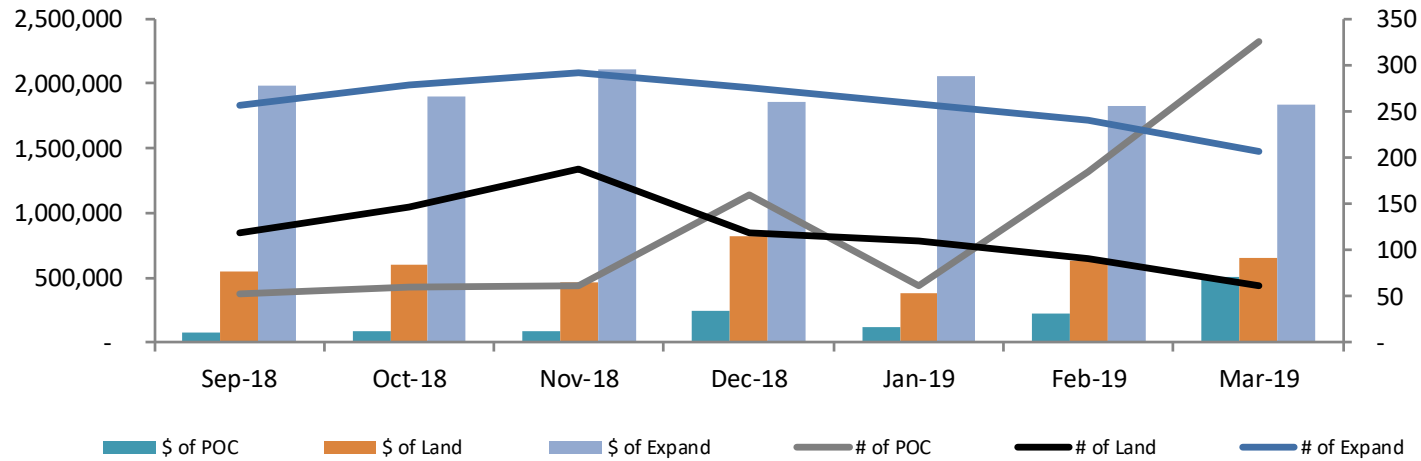
>> \$25K



- Bookings excluding stocking orders and including sales out

Customer Lifecycle Metrics

POC/Land/Expand



Lifecycle									
	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Total	%
POC	78,454	98,798	82,215	248,107	118,912	226,336	503,914	852,821	5%
Land	545,622	639,324	469,375	824,995	381,964	630,944	650,960	3,492,223	22%
Expand	1,979,358	1,896,181	2,112,443	1,854,519	2,055,559	1,829,387	1,837,827	11,727,447	73%
Total	2,603,434	2,634,303	2,664,032	2,927,621	2,556,435	2,686,667	2,992,701	16,072,491	100%

Top Customer Metrics

End User	LTM Amount	% of Total
WeWork	2,872,373	8%
Comcast	747,522	2%
Nike	453,904	1%
Time Warner	442,177	1%
Penn State University	395,124	1%
Charter Communications	362,452	1%
University of Illinois at Urbana-Champaign	333,010	1%
Booz Allen Hamilton	317,700	1%
Mastercard	308,853	1%
The University of Manchester	308,185	1%
Other Customers	27,802,714	81%
Total	34,344,013	100%

End User	Mar Amount	% of Total
WeWork	259,316	8%
Bradley University	234,725	8%
Booz Allen Hamilton	164,497	5%
Mercy Health	74,802	2%
Swarthmore College	74,622	2%
Santa Rosa Junior College	70,445	2%
Mastercard	61,197	2%
Laurentian University	42,418	1%
Independent Bank	41,828	1%
ETH Zurich	40,482	1%
Other Customers	1,997,859	65%
Total	3,062,189	100%

Solstice Subscription – Attach Rate

Upfront

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Total Upfront Units Sold	76	142	203	616	873	954	848	597	801	853	648	682	549	355	1,395
Total Unit Sales	2,281	1,865	2,945	2,970	3,425	3,034	3,151	2,934	3,142	3,677	3,374	3,297	3,096	2,592	4,467
Upfront Rate	3%	8%	7%	21%	25%	31%	27%	20%	25%	23%	19%	21%	18%	14%	31%

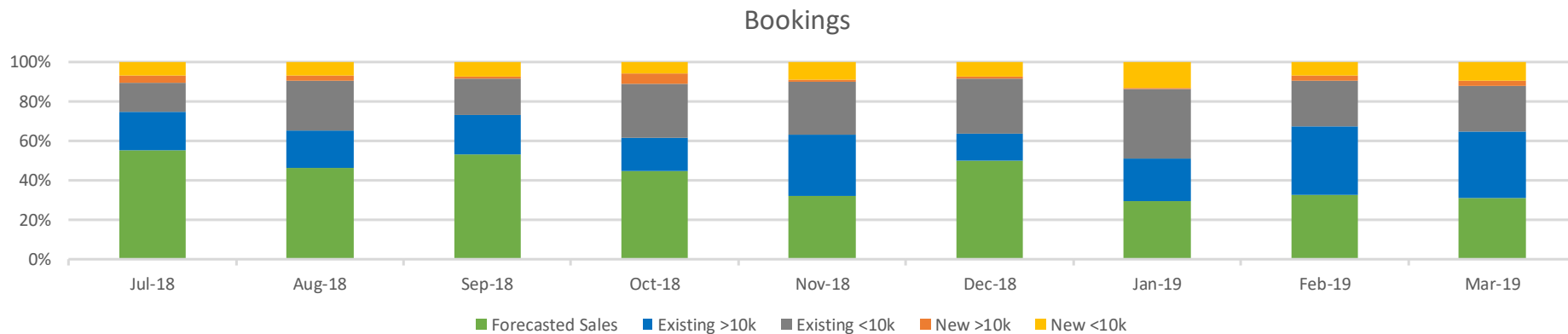
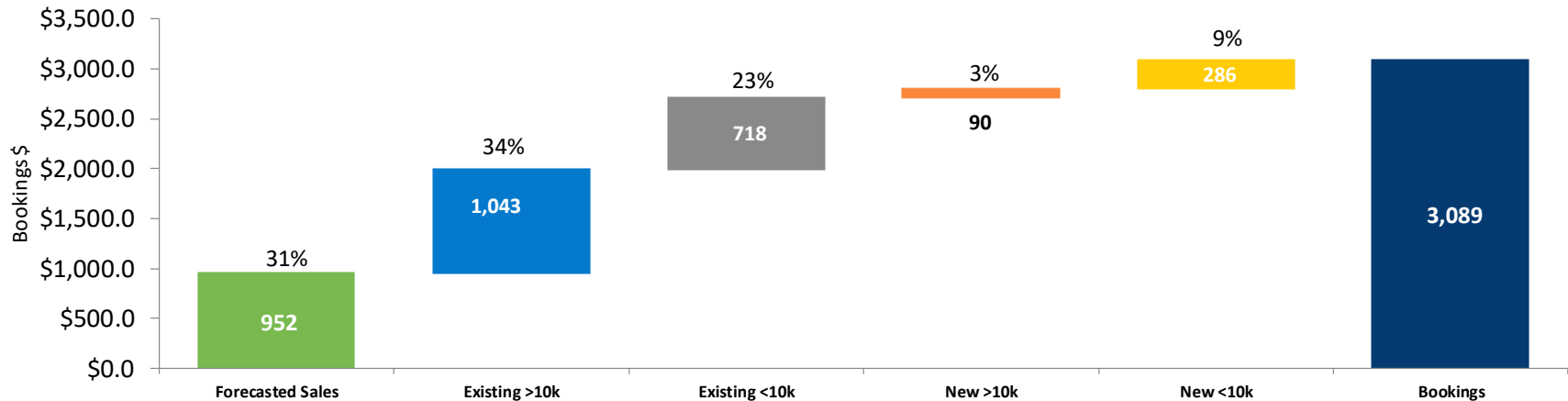
Renewal

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Pods w/ Paid solstice subscription	6,485	6,756	6,992	7,411	8,072	8,628	9,852	9,125	10,319	11,588	12,734	16,809	18,930	21,552	22,042
Total Pods, post-free solstice subscription	12,088	12,764	13,593	14,551	16,009	17,814	19,060	20,733	22,409	28,731	30,182	32,633	36,845	44,360	47,171
Renewal Rate	54%	53%	51%	51%	50%	48%	52%	44%	46%	40%	42%	52%	51%	49%	47%

Management Discussion

- Upfront attach rate increased in March to 31% below the target of 40%
- Renewal rate decreased during March to 47% consistent with the LTM average of 48%

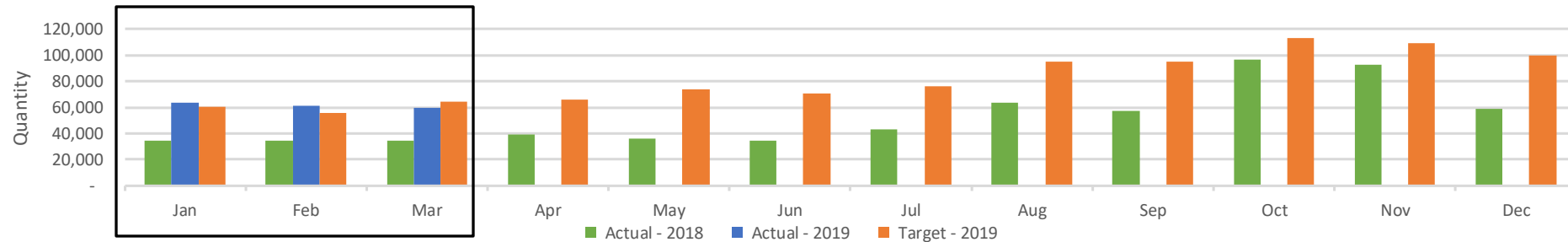
Bookings Attribution Analysis



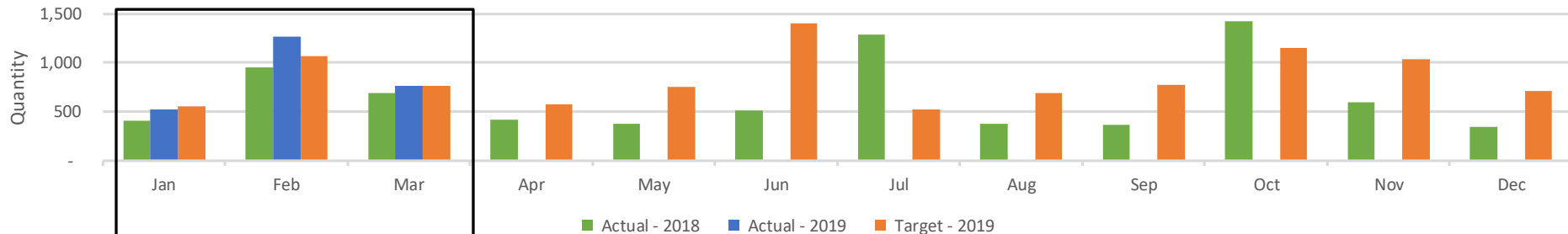
Management Discussion

- 31% of total bookings for the month were included in forecasted sales by the sales team for the month of March.
- Another 34% of bookings were from orders over \$10K from existing customers but were not included in forecasted sales for the month.
- 23% of bookings were from orders under \$10K from existing customers and which are not part of forecast.
- Remaining 12% of bookings were from new customers and not included in forecasted sales for the month.

Sessions (Web Traffic)



Marketing Qualified Leads (MQLs)

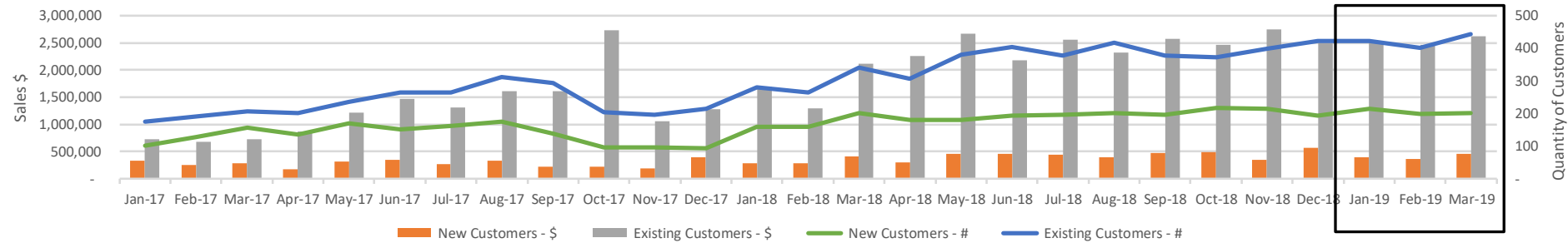


Management Discussion

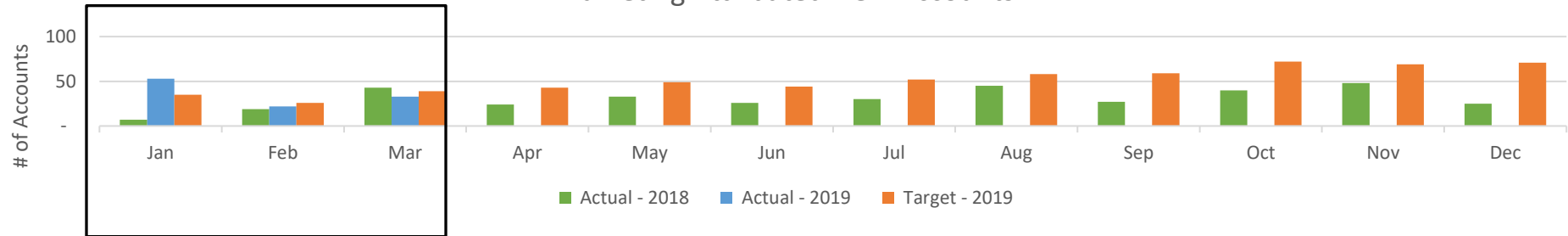
- MQLs are defined by a HubSpot Score greater or equal to 75
- Web traffic is slightly ahead of plan on a YTD basis mainly due to strong performance in SEO and Digital advertising.
- MQL conversion rates on the whole are ahead of plan with particular strength in Direct Traffic and improvement needed in SEO.
- MQLs are slightly ahead of plan on a YTD basis due to web traffic and conversion rates both being ahead of plan.

New Customer Metrics

Monthly New vs. Existing Customers



Marketing Attributed New Accounts

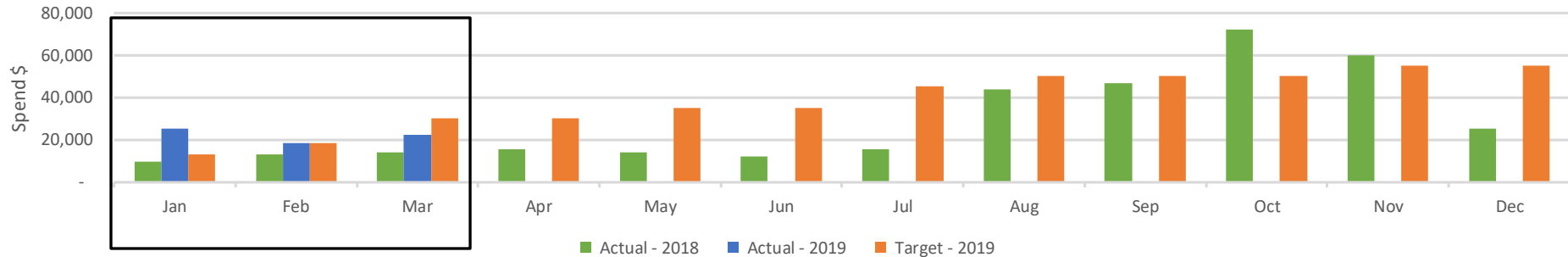


Management Discussion

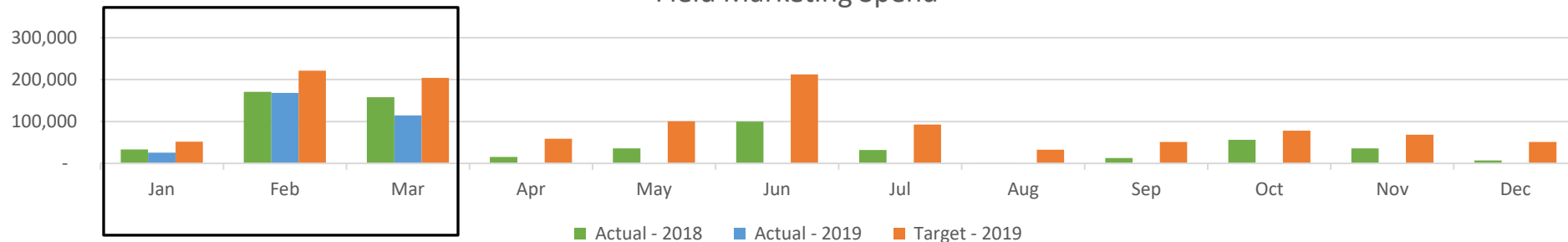
- Net new accounts (NN) have remained flat during Q1-2019 (611) when compared to Q4-2018 (623) but are up 18% on a YOY basis.
- The number of net new accounts grew 21% YOY from 2016 to 2017 and then 44% from 2017 to 2018 (more than half of the 2017-18 growth was marketing-attributed).
- Marketing-attributed NN accounts is at 107% of plan YTD / 57% YOY growth; despite being on plan, lower than expected close rates have dampened performance in Feb / Mar (new websites, email workflows, and additional inside sales reps will help with future close rates).
- New and Existing customers are calculated as bookings excluding stocking orders and including sales out.

Marketing Spend

Digital Ad Spend

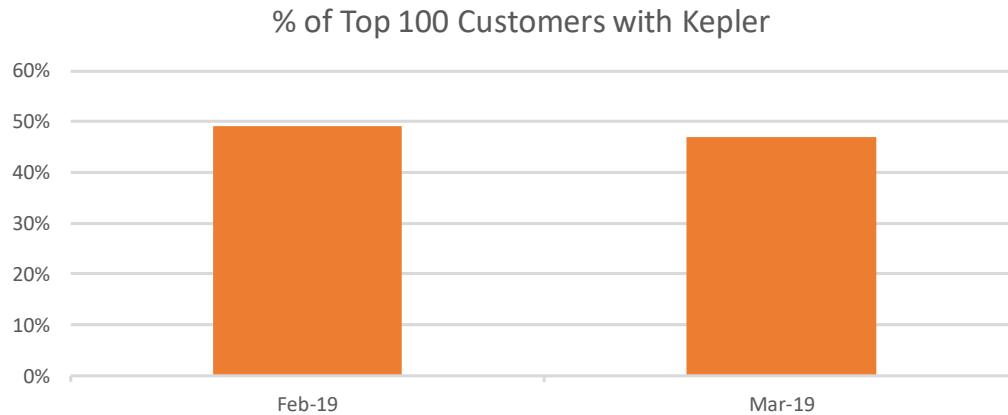


Field Marketing Spend



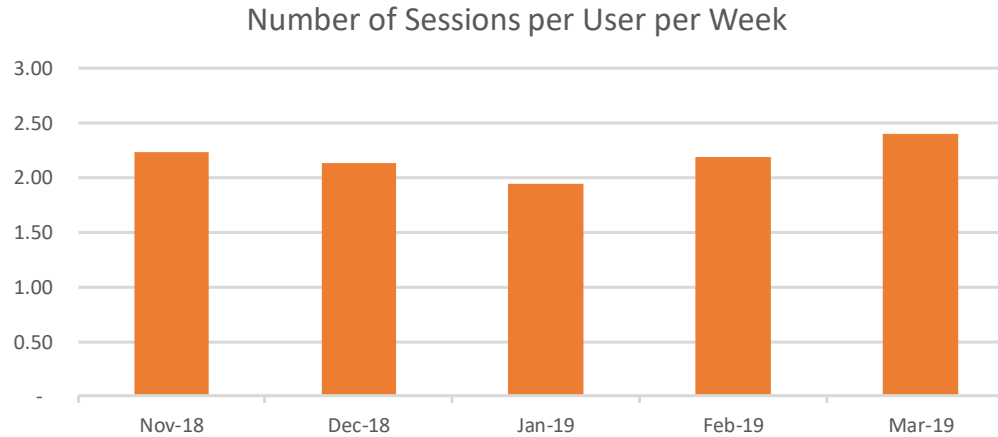
Management Discussion

- Digital ad spend was slowed to start the year while we added international websites, redesigned corporate website, and added account-based-marketing automation.
- Field marketing spend spiked in Feb due to ISE and in general has been more efficient than expected YTD.



Management Discussion

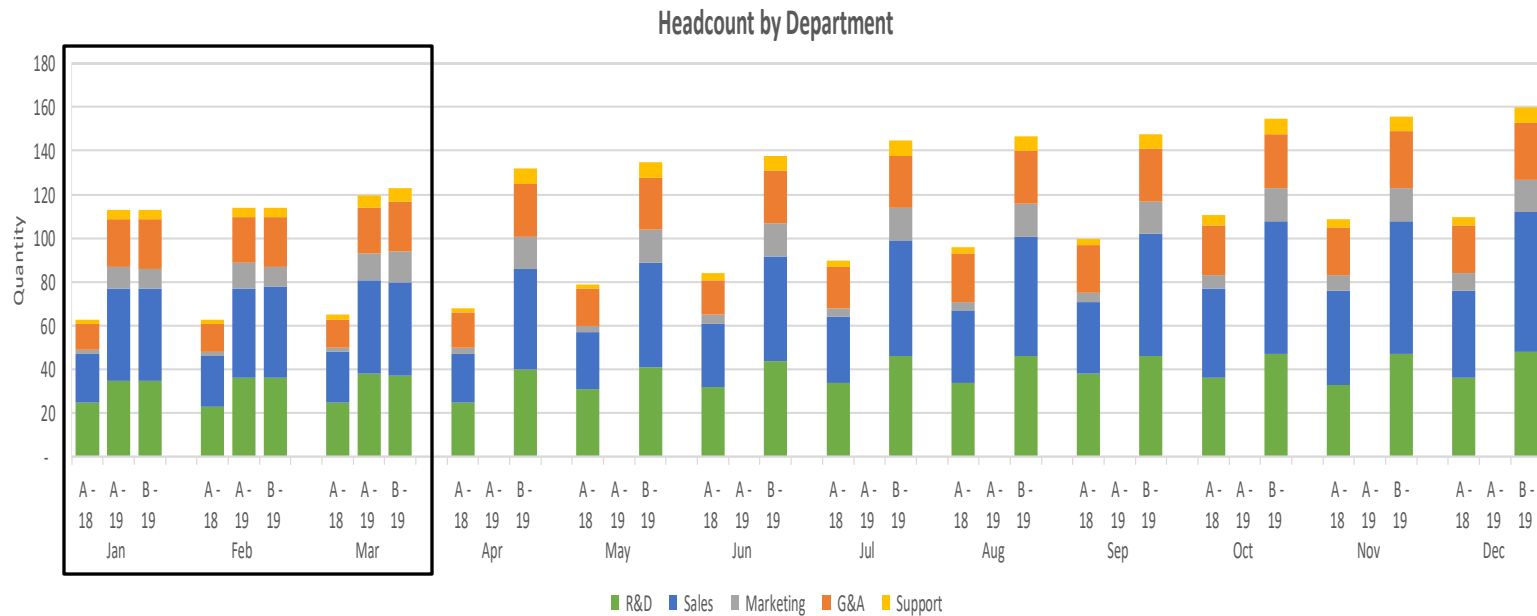
- % of top 100 customers (based on # of pods) with Kepler.
- Although Kepler adoption in general continued at its normal pace, a handful of new customers that have not tried Kepler made it in the top 100 report, thus dropping the percentage.



Management Discussion

- Number of sessions per active user per week using Kepler.

Staffing Analysis



Management Discussion

- Staffing is behind plan through March 2019, due to G&A and Marketing.

2019 Hiring Schedule

Department	Not active	Sourcing Resumes	Phone Screen	In Person Interview	Offer Sent	Offer Accepted	Hired	Candidate Name/DOH	Requisitions Status
									Total Reqs: 55
									Open Reqs: 17
									Inactive Reqs: 4
									Filled Reqs: 34
									Fill Rate: 66.7%
Engineering	SDET (Replacement)								Hold
	Agile Coach (Replacement)								Hold
	Dev Ops								Hold
				Sr. Software Engineer C++/Network Engineer Expert					Interviewing
				Sr. Frontend Engineer (Replacement)					Interviewing
		Sr. QA Engineer							Interviewing
				Sr. Product Manager (Replacement)					Interviewing
				Sr. Software Engineer C++/Architect (VTC)					Interviewing
							Sr. Product Manager (replacement)	(Halley Coplin (DOH 4/29/19)	Filled
							UX Designer	Tim Ortiz (DOH 4/15/19)	Filled
							Full Stack/Back End (Enterprise)	Mathew Norby (DOH 1/7/19)	Filled
							Sr. Product Manager	Greg Newman (DOH 1/14/19)	Filled
							Fullstack/Frontend Engineer (Replacement)	Tim Arsenault (DOH 1/28/19)	Filled
							Sr. Software Engineer Android OS (Replacement)	Steven Tang (DOH 2/11/19)	Filled
							Fullstack/Frontend Engineer (Replacement)	Spencer Brigham (DOH 2/18/19)	Filled
						Software Engineer (QT/QML Front End)	David Ward (DOH 3/4/19)	Filled	
						VP, Engineering	Tae Kim (DOH 3/11/19)	Filled	
						Sr. Software Engineer (Rust)	Cayle Stickler (DOH 3/25/19)	Filled	
Sales				RSD - Mid Atlantic (Replacement)					Interviewing
			Channel Sales Mgr- Southeast (Replacement)				Sales Ops Coordinator (Replacement)		Interviewing
					RSD - Netherlands				Interviewing
					RSD - Australia				Interviewing
					Channel Sales Mgr - UK				Interviewing
					Business Development Director				Interviewing
					Sales Operations Director				Interviewing
		Customer Technical Support - EMEA							Sourcing
							RSD- Germany	Rosario Marseglia (DOH 1/1/19)	Filled
							Channel Manager - Outside (Atlanta)	Bruno Pasquali (DOH 1/2/19)	Filled
							Outbound Inside Sales Rep (Denver)	Megan Paul (DOH 1/21/19)	Filled
							SE - MEA	Ramez Alam (DOH 1/7/19)	Filled
							Inside Sales Rep - EMEA	Simone Oberti (DOH 2/1/19)	Filled
							SE - Rocky Mountain Region	Steve Whitehurst (DOH 3/4/19)	Filled
							Regional TS Mgr - APAC (Replacement)	Arthur Tsui (DOH 3/26/19)	Filled
							RSD - China	Jeff Liu (DOH 4/1/19)	Filled
							SE - Germany	Klaus Paetzold (DOH 4/1/19)	Filled
							SE - Nordics	Monica Lozano Cruz (DOH 5/1/19)	Filled
							SE - France (Replacement)	Laurent Garcia (DOH 5/14/19)	Filled
	Marketing	Content Marketing Manager							
		Support Engineer II							Interviewing
					Support Engineer I (Replacement)				Interviewing
							Media Specialist	Trevor Peach (DOH 1/1/19)	Filled
							Field Marketing Manager	Helena Schlieffman (DOH 1/14/19)	Filled
							Product Marketing Manager	Kimberly Ronse (DOH 1/17/19)	Filled
							Digital Marketing Manager	Graeme Rothe (DOH 2/4/19)	Filled
							Marketing Manager - Email (Replacement)	Trevor Rawls (DOH 2/20/19)	Filled
							Graphic Designer (Temp To Hire)	Amber Rich (Start Date 3/7/19)	Filled
							Support Engineer III	Joel Underwood (DOH 3/25/19)	Filled
							Support Engineer II	Kevin Webb (DOH 3/25/19)	Filled
G&A				VP, HR					Interviewing
							Logistics Clerk	Erik Mikelsons (DOH 4/15/19)	Filled
							Staff Accountant	Ani Moore (DOH 2/19/19)	Filled
							Jr. Systems Administrator	Sam Lunny (DOH 3/11/19)	Filled
							Operations Coordinator (Replacement)	Mitch Boston (DOH 4/8/19)	Filled

Monthly Operating Review Meeting Agenda

- ➔ Executive Summary
- ➔ **Financial Review**
- ➔ Governance Reporting
- ➔ Appendix

Summary P&L

\$'000	MTD		Variance		PY MTD		Variance	
	Act	Bud	\$	%	Act	\$	%	
Gross Revenue	\$ 3,140	\$ 2,615	\$ 525	20.1%	\$ 2,161	\$ 979	45.3%	
Adj. to Gross Revenue	(16)	–	(16)	N/A	(7)	(8)	115.3%	
Net Revenue	3,124	2,615	510	19.5%	2,154	971	45.1%	
Material	848	467	381	81.5%	465	383	82.3%	
Labor	50	56	(6)	(11.5%)	34	15	44.5%	
Total COGS	898	523	374	71.6%	499	398	79.7%	
Gross Margin	2,227	2,091	135	6.5%	1,654	572	34.6%	
<i>Gross Margin %</i>	<i>71.3%</i>	<i>80.0%</i>			<i>76.8%</i>			
R&D	537	522	15	2.9%	284	253	88.9%	
Sales & Marketing	949	1,172	(223)	(19.0%)	595	354	59.5%	
Administrative	446	642	(196)	(30.5%)	232	214	92.2%	
Other Opex	–	14	(14)	(100.0%)	–	–	N/A	
Total Opex	1,933	2,350	(418)	(17.8%)	1,112	821	73.9%	
EBITDA	294	(259)	553	(213.4%)	542	(249)	(45.8%)	
<i>EBITDA %</i>	<i>9.4%</i>	<i>(9.9%)</i>			<i>25.2%</i>			
Net Income (Loss)	\$ (109)	\$ (651)	\$ 542	(83.3%)	\$ 201	\$ (309)	(154.2%)	
Capex	\$ (62)	\$ (205)	\$ 143	(70.0%)	\$ (15)	\$ (46)	306.9%	

	YTD		Var		PY YTD		Variance	
	Act	Bud	\$	%	Act	\$	%	
	\$ 7,770	\$ 7,490	\$ 280	3.7%	\$ 5,372	\$ 2,398	44.6%	
	(26)	–	(26)	N/A	(19)	(7)	35.8%	
	7,744	7,490	254	3.4%	5,353	2,391	44.7%	
	1,693	1,338	355	26.5%	1,107	586	53.0%	
	147	154	(6)	(4.0%)	110	38	34.4%	
	1,841	1,492	349	23.4%	1,217	624	51.3%	
	5,903	5,998	(95)	(1.6%)	4,136	1,767	42.7%	
	76.2%	80.1%			77.3%			
	1,441	1,505	(64)	(4.3%)	882	559	63.3%	
	3,007	3,163	(156)	(4.9%)	1,618	1,389	85.8%	
	1,567	1,893	(326)	(17.2%)	691	876	126.8%	
	–	14	(14)	(100.0%)	–	–	N/A	
	6,015	6,574	(560)	(8.5%)	3,191	2,824	88.5%	
	(111)	(576)	465	(80.7%)	946	(1,057)	(111.8%)	
	(1.4%)	(7.7%)			17.7%			
	\$ (1,303)	\$ (1,798)	\$ 495	(27.5%)	\$ (84)	\$ (1,219)	1449.3%	
	\$ (198)	\$ (257)	\$ 59	(23.0%)	\$ (32)	\$ (166)	525.7%	

Management Discussion

- Invoiced sales were \$3.8m compared to target of \$2.9m, including \$663k of solstice subscription invoice sales recorded. Bookings were \$3.1m, resulting in backlog of \$92k at month end. QTD invoiced sales of \$8.9m is \$700K above budget of \$8.2m.
- Revenue of \$3.1m includes approximately \$2.5m of pod revenue and \$574k of deferred solstice subscription revenue from prior months amortized into net revenue. Pod revenue of \$2.5M is 132% of budget of \$1.9M with as we shipping Gen3 pods during March. QTD revenue of \$7.7m is \$254K above budget of \$7.5m.
- Pods sold for the month were 4,467 vs target of 3,228. Pod ASP across all regions was \$746, which is higher than budgeted ASP of \$727. Overall ASP variance to budget is largely driven by geographical and product mix. QTD COGS is \$350K over plan (23%) due to higher volume of pod unit sales compared to plan.
- Renewal solstice subscription licenses sold were 1,771 compared to target of 1,834 resulting in invoiced sales of \$292k compared to budget of \$265K, driving improved ASP. QTD renewal invoiced sales of \$1.0m is \$377K above budget of \$642k.
- Upfront solstice subscription licenses sold were 1,395 compared to target of 1,223 resulting in invoiced sales of \$371k compared to budget of \$275k. Upfront attached rate was 31% compared to a budgeted 40%. QTD upfront invoiced sales of \$592k is \$196K below budget of \$788k.
- Gross Margin % was below budget due to shipping out Gen3 during March rather than budgeted ship date of April.
- YTD OpEx remains below budget due to being behind on hiring plan and marketing spend.
- Capex was lower than expected due to timing of furniture and computer additions relative to budgeted dollars.

Balance Sheet

	Dec-18	Jan-19	Feb-19	Mar-19		Variance
\$'000	Act	Act	Act	Act	Bud	\$
<u>Current Assets</u>						
Cash and cash equivalents	\$ 5,777	\$ 6,447	\$ 5,686	\$ 4,558	\$ 3,804	\$ 754
Short term investments	—	—	—	—	—	—
<i>Accounts receivable, gross</i>	5,113	4,513	3,949	5,444	4,762	682
<i>Accounts receivable, reserves</i>	(82)	(82)	(74)	(74)	(48)	(26)
Accounts receivable, net	5,031	4,431	3,874	5,370	4,714	656
Inventory, net	1,444	1,637	2,298	2,746	2,565	181
Prepaid expenses and other current assets	1,788	2,378	2,126	2,114	1,409	705
Total Current Assets	14,041	14,893	13,984	14,788	12,492	2,296
<u>Non-Current Assets</u>						
<i>Property, plant & equipment, gross</i>	908	1,026	1,044	1,106	1,168	(62)
<i>Accumulated depreciation</i>	(216)	(187)	(212)	(275)	(51)	(224)
Property, plant & equipment, net	692	839	832	830	1,117	(287)
Goodwill	20,675	20,675	20,675	20,675	20,675	(0)
Identifiable intangible assets, net	6,711	6,440	6,176	5,911	5,751	160
Deferred tax asset	6,488	6,488	6,488	6,488	6,647	(159)
Other non-current assets	14	14	80	80	75	5
Total Non-Current Assets	34,580	34,456	34,251	33,984	34,265	(281)
Total Assets	\$ 48,620	\$ 49,349	\$ 48,235	\$ 48,772	\$ 46,757	\$ 2,015
<u>Current Liabilities</u>						
Notes payable	3,500	3,500	3,500	3,500	3,500	—
Accounts payable	900	1,457	1,732	1,665	462	1,202
Accrued liabilities	77	412	337	259	209	49
Accrued compensation	1,907	1,821	1,075	1,284	2,293	(1,009)
Income taxes payable	694	694	694	694	—	694
Other current liabilities	232	269	333	324	251	73
Total Current Liabilities	7,310	8,152	7,670	7,726	6,716	1,010
<u>Long-term liabilities</u>						
Long-term unearned revenue	5,998	6,183	6,447	7,037	7,604	(567)
Deferred liabilities	154	154	154	154	137	18
Total Long-Term Liabilities	6,152	6,337	6,601	7,191	7,740	(549)
Total Liabilities	13,462	14,489	14,271	14,917	14,456	460
<u>Shareholders' Equity</u>						
Total Shareholders' Equity	35,159	34,859	33,964	33,855	32,301	1,555
Total Liabilities and Shareholders' Equity	\$ 48,620	\$ 49,349	\$ 48,235	\$ 48,772	\$ 46,757	\$ 2,015

Management Discussion

- AR increased due to increase in invoiced sales, especially due to shipping Gen 3 pods.
- Inventory balances are in line with target.
- Prepaid and OCA balances are higher than expected due to receivable from landlord, trade show prepaids, prepaid commission related to 606 and additional prepaids from various vendors.
- Increase in payables driven by timing of in inventory payables and timing of other payments to other vendors.
- Accrued Compensation is below budget due to paying 80% MIPs during February compared to budgeted payment in May.
- Income taxes payable was larger than expected due to taking a conservative approach with tax liabilities related to taxable income associated with invoiced solstice subscription . The liability will likely decrease significantly as we complete our corporate tax returns in March.
- Deferred revenue is below budget primarily due to a change in deferred revenue assumptions related to ASC 606 revenue recognition. We need to reforecast deferred revenue using the revised FMV allocations recently computed for 2018 & 2019.

Cash Flow Statement

\$'000	MTD		Var	PY-MTD		Var	YTD		Var	PY YTD		Var
	Act	Bud	\$	Act	\$		Act	Bud	\$	Act	\$	
Cash flow from operations												
Net Income (Loss)	\$ (109)	\$ (651)	\$ 542	\$ 201	\$ (309)		\$ (1,303)	\$ (1,798)	\$ 495	\$ (84)	\$ (1,219)	
Depreciation, amortization and other	301	288	13	278	22		902	849	53	834	68	
Deferred income tax	—	—	—	—	—		—	(159)	159	—	—	
<i>Change in operating assets and liabilities:</i>												
Accounts receivable	(1,496)	(1)	(1,495)	(870)	(625)		(339)	265	(603)	(563)	224	
Inventory	(448)	(392)	(56)	(249)	(199)		(1,302)	(1,175)	(126)	(399)	(903)	
Prepaid expenses and other current assets	12	101	(89)	151	(138)		(326)	431	(758)	260	(586)	
Accounts payable	(67)	(14)	(53)	(229)	161		765	(192)	957	(126)	891	
Accrued expenses	132	194	(62)	75	57		(440)	514	(955)	(125)	(316)	
Accrued income taxes	0	—	0	—	0		(0)	(694)	694	—	(0)	
Other changes in operating assets and liabilities	590	300	290	379	211		1,039	693	346	906	133	
Other cash flow from operations	30	(5)	35	13	16		9	(410)	419	31	(22)	
Total Cash Flow from Operations	\$ (1,056)	\$ (181)	\$ (875)	\$ (251)	\$ (804)		\$ (996)	\$ (1,676)	\$ 680	\$ 734	\$ (1,730)	
Cash flow from investing												
Additions to property, plant and equipment	\$ (62)	\$ (205)	\$ 143	\$ (15)	\$ (46)		\$ (198)	\$ (257)	\$ 59	\$ (32)	\$ (166)	
Investment in intangibles	(11)	(82)	71	—	(11)		(26)	(40)	14	—	(26)	
Total Cash Flow from Investing	\$ (72)	\$ (287)	\$ 215	\$ (15)	\$ (57)		\$ (224)	\$ (297)	\$ 74	\$ (32)	\$ (192)	
Cash flow from financing												
Total Cash Flow from Financing	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —	\$ —	\$ —	\$ —	
	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —	\$ —	\$ —	\$ —	
Net change in cash	\$ (1,128)	(468)	\$ (660)	\$ (266)	\$ (861)		\$ (1,220)	\$ (1,973)	\$ 754	\$ 703	\$ (1,922)	
Beginning cash	5,686	4,272	1,414	3,519	2,166		5,777	5,777	—	2,550	3,227	
Change in cash	(1,128)	(468)	(660)	(266)	(861)		(1,220)	(1,973)	754	703	(1,922)	
Ending cash	\$ 4,558	\$ 3,804	\$ 754	\$ 3,253	\$ 1,305		\$ 4,558	\$ 3,804	\$ 754	\$ 3,253	\$ 1,305	

Management Discussion

- Cash is \$750k over budget due primarily to significant increase in payables related to timing of inventory receipts and other vendors and state and federal taxes netted with increase in AR due to Gen3 sales as well as \$500K positive variance in EBITDA for the Qtr.

Monthly Operating Review Meeting Agenda

- ➔ Executive Summary
- ➔ Financial Review
- ➔ Full Year Financial Outlook
- ➔ **Governance Reporting**
- ➔ Appendix

Management Governance Report

Board of Directors

- Andrew Nikou
- Rob Young
- Chris Jaynes
- Rob Balgley
- John Case
- Paul Bridwell

Audit Committee

- Dan Hudspeth
- Paul Bridwell
- Shawn Haghighi
- Andrew Martinez

2018 Year End Auditors

- Deloitte

Anonymous Hotline

- Navex implementation complete; hotline is now live

Internal Control & Authority Matrix

- Adopted effective 2/27/18

Management Governance Report (Continued)

A)	Requests for waivers or out-of-the-ordinary course approvals under the Internal Control and Corporate Governance Matrix, Code of Ethics or any internal control:	Hiring of VP of Engineering and VP of HR
B)	Any conflicts of interest or the appearance of any such conflict or potential conflict:	None
C)	Any actual or apparent weakness or inadequacy in the Company's policies of internal controls and financial reporting:	None
D)	Any reports or complaints regarding accounting, internal accounting controls or auditing matters.	None

CyberSecurity Update

Milestone		Activity		Status
ID	Description	Risk	Description	Description
1	Account Management and Security	High	Utilize JumpCloud for Directory Services	JumpCloud deployment is at 80% all critical systems are now manageable via JumpCloud with password resets and MFA.
2	Account Lockout	High	Implement lockout for VPN and Email	Bad password lockout has been implemented for Email and VPN.
3	Business Continuity & DR	High	Purchase infrastructure to allow for proper BC & DR	Infrastructure purchased and installed. Backups and DR processes in place for all critical Infrastructure.
4	Cybersecurity Training	High	Engage a partner to perform training and testing	Training begins week of 4/15.
5	Vulnerability Management	High	Engage partner to perform pen test on Network	Currently engaging Vendors to work with on Network pen tests. Completion by end of Q2.
6	Two Factor Authentication	High	Implement Two Factor Authentication for Email and VPN	VPN Two Factor Authentication has been added. Once JumpCloud reaches 100% Two Factor will be put in place for Email and Gdrive.
7	Hard Drive Encryption	High	Determine best practice for hard drives that are not encrypted and develop plan to implement.	Hard drive encryption is still under review as there are concerns for the development infrastructure with adding encryption. Looking at possibly encrypting just certain business units, Accounting and HR specifically.
8	Patch Management	High	Once Milestone 3 is complete this will be implemented.	Patch Management now implemented on all Infrastructure servers and machines.
9	Mobile Device Management	Med	Office365 Deployment gave us this ability.	Completed with O365 deploy.
10	Removable Media	Med	Still being reviewed for implementation possibilities, will need Milestones 3 and 8 to implement.	Removable media controlled on Infrastructure machines. Use of removable media required for many users.

Monthly Operating Review Meeting Agenda

- ➔ Executive Summary
- ➔ Financial Review
- ➔ Governance Reporting
- ➔ **Appendix**

YTD Opex Analysis

\$'000

	YTD			Explanation of Variance				Variance Impact		
	Variance			One-Time /		Change in		Total Variance	YoY Impact	Annualized
	Act	Bud	B / (W)	Non-recurring	Timing	Run-rate	Other	B / (W)	B / (W)	Impact B / (W)
Payroll	\$ 3,045	\$ 3,332	\$ (287)	\$ —	\$ (287)	\$ —	\$ —	\$ (287)	\$ —	\$ —
Benefits	371	435	(64)	\$ —	\$ (64)	—	—	(64)	—	—
Bonus	393	402	(9)	\$ —	\$ (9)	—	—	(9)	—	—
Commissions	341	303	37	—	37	—	—	37	—	—
Marketing	654	807	(152)	—	(152)	—	—	(152)	—	—
Travel and Entertainment	366	238	128	—	128	—	—	128	—	—
Rent and Facilities	305	233	72	—	72	—	—	72	—	—
Insurance	12	13	(0)	—	(0)	—	—	(0)	—	—
Professional Fees	183	184	(0)	—	(0)	—	—	(0)	—	—
Utl., Repair, Maint., & Sec.	81	105	(24)	—	(24)	—	—	(24)	—	—
Office Expense	119	233	(115)	—	(115)	—	—	(115)	—	—
IT	119	238	(119)	—	(119)	—	—	(119)	—	—
Other Expenses	26	52	(25)	—	(25)	—	—	(25)	—	—
Total Opex	\$ 6,015	\$ 6,574	\$ (560)	\$ —	\$ (560)	\$ —	\$ —	\$ (560)	\$ —	\$ —

Management Discussion

- Payroll is under budget due to employee turnover and being behind plan on a \$ and quantity basis.
- Marketing is under budget due to underspending primarily in field marketing, as well as digital.
- Office Expense is under budget due to timing of office equipment purchases.
- IT is under budget due to timing of data related IT projects.

Operating Expenses Summary

\$'000

Opex Overview:

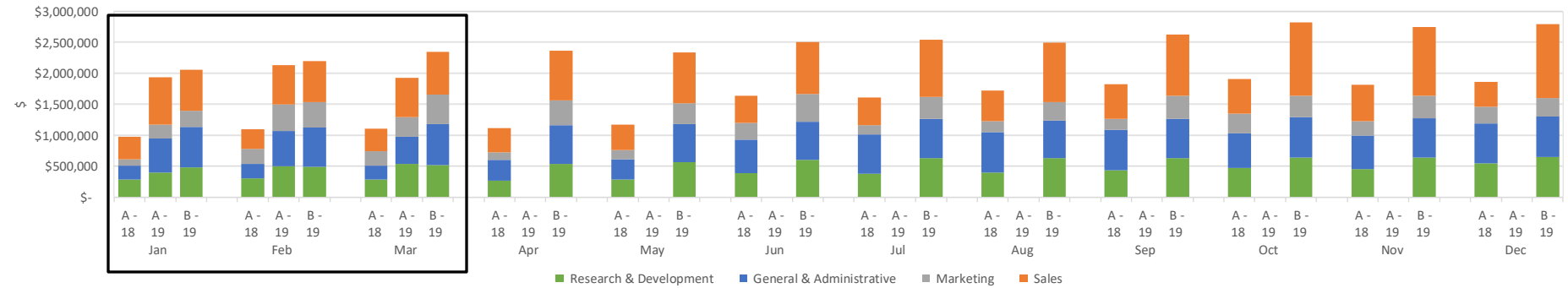
	MTD		Variance		PY MTD		Variance		YTD		Var		PY YTD		Variance	
	Act	Bud	\$	%	Act	\$	%		Act	Bud	\$	%	Act	\$	%	
Payroll	\$ 1,026	\$ 1,159	\$ (133)	(11.5%)	\$ 510	\$ 516	101.1%		\$ 3,045	\$ 3,332	\$ (287)	(8.6%)	\$ 1,512	\$ 1,534	101.5%	
Overtime	–	–	–	N/A	–	–	N/A		–	–	–	N/A	–	–	N/A	
Benefits	132	151	(20)	(13.0%)	94	38	41.0%		371	435	(64)	(14.7%)	319	52	16.1%	
Bonus	121	138	(18)	(12.8%)	29	91	313.2%		393	402	(9)	(2.3%)	82	311	381.1%	
Commissions	115	109	6	5.5%	96	20	20.5%		341	303	37	12.3%	260	80	30.8%	
Marketing	195	338	(142)	(42.1%)	202	(6)	(3.1%)		654	807	(152)	(18.9%)	484	171	35.3%	
Travel and Entertainment	132	81	50	61.7%	44	88	199.7%		366	238	128	53.8%	113	252	222.9%	
Rent and Facilities	112	78	34	44.1%	55	57	102.5%		305	233	72	30.8%	144	161	111.8%	
Insurance	4	4	0	1.2%	9	(5)	(51.9%)		12	13	(0)	(0.1%)	10	3	25.6%	
Professional Fees	53	61	(8)	(13.3%)	17	36	203.8%		183	184	(0)	(0.2%)	67	117	174.9%	
Utl., Repair, Maint., & Sec.	21	35	(14)	(40.5%)	14	7	50.3%		81	105	(24)	(23.0%)	56	25	44.5%	
Office Expenses	13	88	(75)	(85.7%)	23	(10)	(45.2%)		119	233	(115)	(49.2%)	55	63	113.9%	
IT	1	90	(89)	(99.4%)	7	(6)	(91.7%)		119	238	(119)	(50.1%)	38	81	215.7%	
Bad Debts	–	–	–	N/A	–	–	N/A		–	–	–	N/A	(3)	3	(100.0%)	
Other Expenses	8	17	(9)	(52.1%)	13	(4)	(35.1%)		26	52	(25)	(49.4%)	54	(28)	(51.4%)	
Total Opex	\$ 1,933	\$ 2,350	\$ (418)	(17.8%)	\$ 1,112	\$ 821	73.9%		\$ 6,015	\$ 6,574	\$ (560)	(8.5%)	\$ 3,191	\$ 2,824	88.5%	

Management Discussion

- Please see previous slide on expense analysis.

Operating Expenses Summary

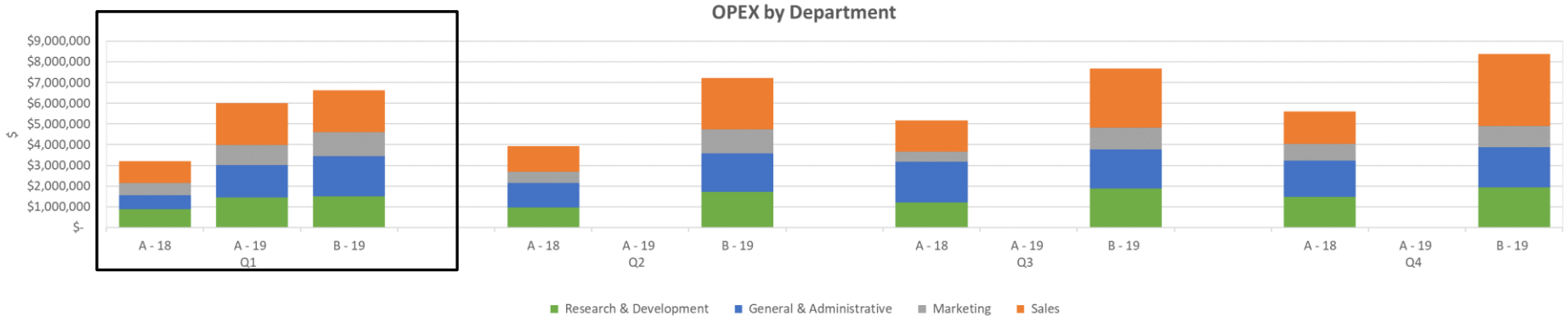
OPEX by Department



Management Discussion

- Graph shows departmental spend comparatives for '18 actual, '19 actual and '19 budget.

Operating Expenses Summary – Q1



Management Discussion

- Graph shows departmental spend comparatives for '18 actual, '19 actual and '19 budget.

AR and AP Aging Detail

\$'000

AR Aging			
Days	Jan-19	Feb-19	Mar-19
0-30	\$ 3,519	\$ 2,995	\$ 4,851
30-60	640	396	206
60-90	189	279	283
>90	164	279	104
Total Gross AR	\$ 4,513	\$ 3,949	\$ 5,444
Reserves	(82)	(74)	(74)
Total Net AR	\$ 4,431	\$ 3,874	\$ 5,370

AP Aging			
Days	Jan-19	Feb-19	Mar-19
0-30	\$ 1,303	\$ 1,578	\$ 1,190
30-60	130	68	323
7% 60-90	0	60	67
>90	24	26	84
Total	\$ 1,457	\$ 1,732	\$ 1,665

Management Discussion

- AR increased due to increase in invoiced sales, especially due to shipping Gen 3 pods. Drop in >90 was due to three over due accounts paying down their balance
- Increase in >30 AP is due to increase in inventory payables and timing of other payments to other vendors.

Invoiced Sales by Region

Invoiced Sales by Region					
Region	Annual Target	Q1 - 2019			
		Budget	Actual	Var	%
Europe	\$ 850,000	152,586	206,836	54,250	136%
Midwest	\$ 7,650,000	1,374,726	1,860,706	485,980	135%
TOLA	\$ 2,550,000	458,242	615,793	157,551	134%
UK	\$ 2,762,500	496,429	626,573	130,144	126%
Northeast	\$ 6,375,000	1,145,605	1,307,001	161,395	114%
Southeast	\$ 4,675,000	840,111	946,495	106,385	113%
Mid-Atlantic	\$ 3,825,000	687,363	630,372	(56,991)	92%
Canada	\$ 1,700,000	305,495	226,779	(78,716)	74%
APAC	\$ 2,550,000	458,242	310,954	(147,288)	68%
New England	\$ 2,550,000	458,242	304,323	(153,919)	66%
Rocky Mtn.	\$ 1,487,500	267,308	169,015	(98,293)	63%
West	\$ 3,400,000	610,990	368,267	(242,722)	60%
Northwest	\$ 1,912,500	343,682	200,152	(143,530)	58%
Germany/Italy	\$ 1,275,000	179,297	90,909	(88,388)	51%
France/Spain	\$ 1,530,000	274,945	79,291	(195,654)	29%
MEA	\$ 1,275,000	179,297	34,925	(144,372)	19%
Global	N/A	N/A	921,968	921,968	N/A



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