



Monthly Operating Review – August

SEPTEMBER 28, 2020

Agenda

- Executive Summary
- Financial Review
- Sales & Commercial Review
- Operational Review
- Appendix

Executive Summary

Executive Summary

Good news / positives to business and plan

- Revenue is 11.9% higher than RFC, but 12.9% below plan and 9.4% below PY
- PF Adjusted EBITDA is \$709k or \$209k lower than plan, \$152k lower than PY and \$228k higher than RFC
- Order book out pacing sales by \$900k+ finishing at 106% to Plan – Wall Hangings (Décor), Appliance, and Packaging all with orders 100%+ to Plan
- Transit Packaging more than double Plan – lead by Ampac and 7 other customers contributing to the growth
- Positive improvement to Churn reduction with new 2020 process & focus
- Hired new Southeast RSM – Matt Oberhaus (formally with Henkel)
- Infinity continues to outperform with revenue 16% ahead of plan and 17% ahead of PY.

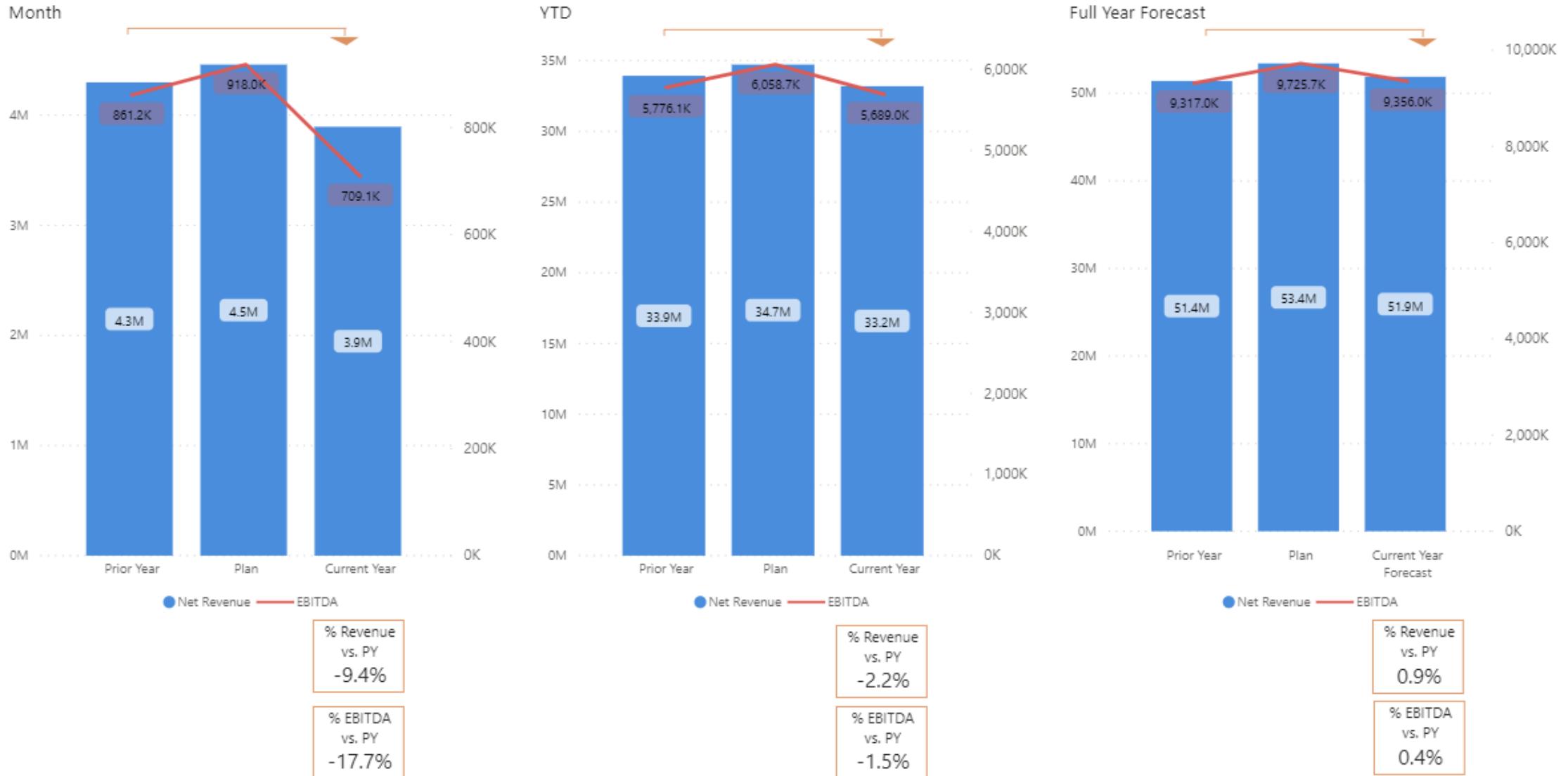
Risks / challenges to business and plan

- POP off Plan by 13% and off PY by 6%; however August daily sales were \$93k/day, up 23% versus June & July
- Appliance down 18% to Plan; however, GE & LaFrance continue to deliver; WP having mixed results by Plant
- Unsurprisingly, there were some challenges with the ERP implementation (live 8/17) that the team continues to work through. Some of these issues did negatively impact OTIF and therefore our customers. We continue to work with them to demonstrate the improvements that we have made and that we continue to make

Other material items

- 0 safety incidents in August

Consolidated Financial Metrics - AOP



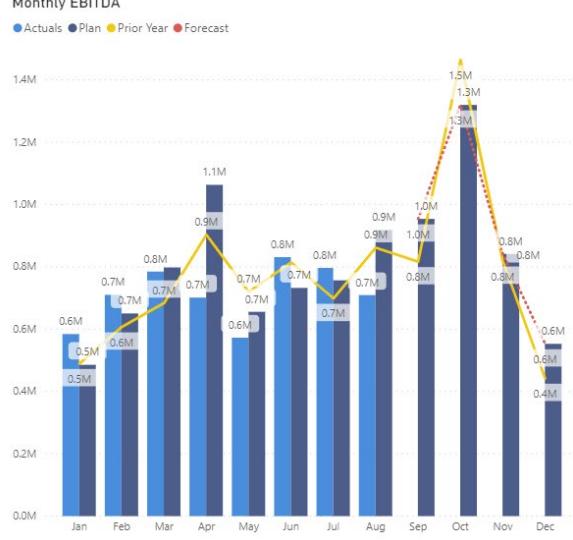
Consolidated Financial Metrics - Forecast



Consolidated Financial Metrics

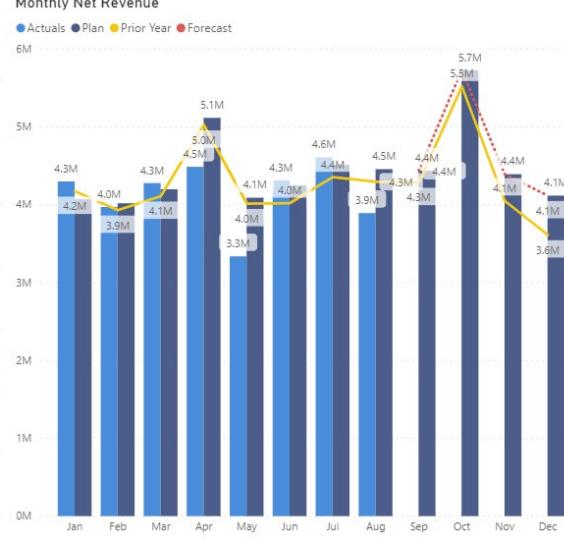
Monthly EBITDA

● Actuals ● Plan ● Prior Year ● Forecast



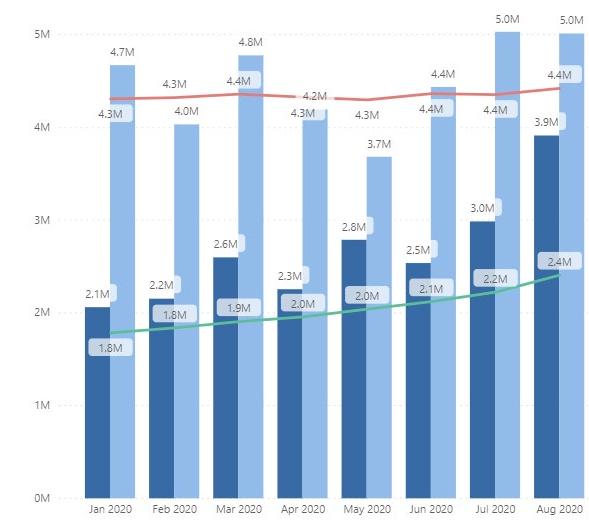
Monthly Net Revenue

● Actuals ● Plan ● Prior Year ● Forecast



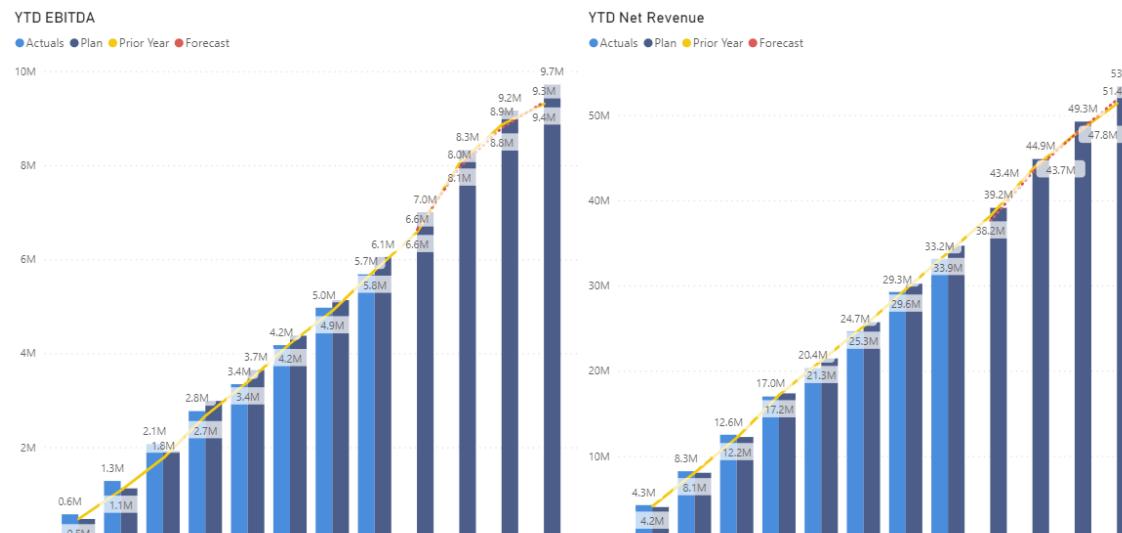
Order Intake

● Backlog ● Bookings ● TTM Avg Backlog ● TTM Avg Bookings



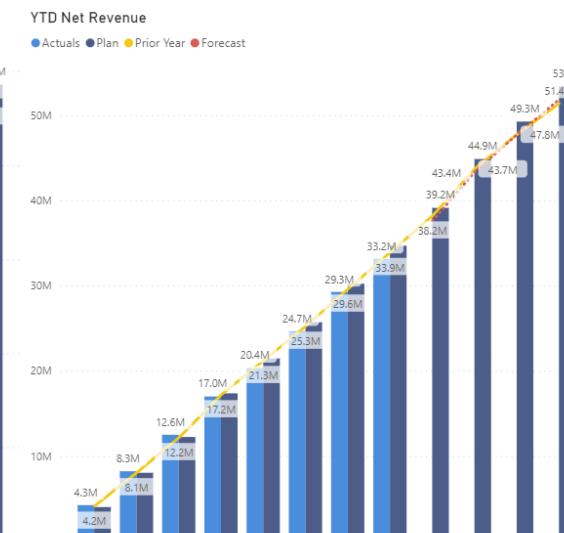
YTD EBITDA

● Actuals ● Plan ● Prior Year ● Forecast



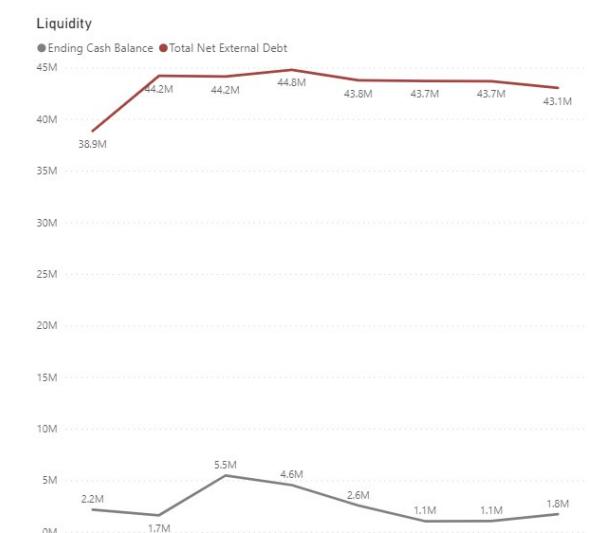
YTD Net Revenue

● Actuals ● Plan ● Prior Year ● Forecast



Liquidity

● Ending Cash Balance ● Total Net External Debt



Sales Team

KPI's

KPI		August
	PY	3,470
Revenue ('000's)	Plan	3,614
	Actual	2,983
Orders ('000's)	PY	3,261
	Plan	3,614
	Actual	3,830
% Business from non-POP	PY	43%
	Plan	42%
	Actual	38%
Quotes Issued	PY	N/A
	Actual	471
Pipeline Annual Value - Top 20 ('000's)	Target	5,000
	Actual	4,877
Pipeline Progressions – Top 20	Target	TBD
	Actual	3
Pipeline Conversion Late stage to revenue	Target	TBD
	Actual	0
Leads - Inbound August = 1/2 month	PY	
	Actual	81
Lead Conversion (% 'qualified') August = 1/2 month	Target	TBD
	Actual	15%

REVENUE

- Order Intake: \$3.8MM > \$3.6MM Plan & \$3.2MMPY
- Revenue: \$2.9MM; down 17% vs Plan & 14% vs PY

FUTURE GROWTH

- CRM Demo's Completed
- Lead Management Process Implemented (included in report)
- Top 20 Pipeline:
 - \$62K added in Orders/Revenue
 - No additional wins
 - 3 Adds – Mixtiles (note: part next-gen/part replacement) & Becker's Fabrication
 - 1 loss – Environmental Graphics (for school signage/barriers)
 - Some progress – still needs focus

PROFIT

- Stage I Price increase implemented

GENERAL

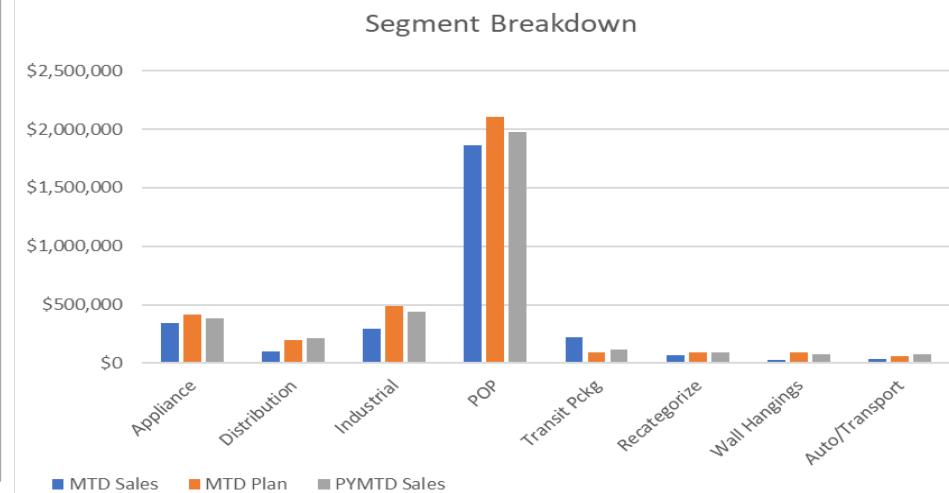
- SE RSM – started
- MW RSM – recruiting status

Revenue Review – Segment Level

OVERALL: Orders outpaced Revenue

KEY COMMENTS

- Biggest Impacts:
 - POP higher % of mix & stronger overall performance vs quarter
 - **Transit Packaging added \$124K in uplift**
- POP: strong activity around signage (Flower City) & COVID support (Hatteras)
- Other winners (>50K up on plan): None
- Other losers (>50K off plan): Multiple
- Wall Hangings & Distribution: phasing issue; strong order intake



Segment	MTD Sales	% of TOTAL	MTD Plan	% of TOTAL	MTD to Plan	PYMTD Sales	% of TOTAL	MTD Growth
Appliance	\$339,102	11%	\$414,823	11%	-18.3%	\$384,231	11%	-11.7%
Distribution	\$97,659	3%	\$197,470	5%	-50.5%	\$216,054	6%	-54.8%
Industrial	\$295,894	10%	\$488,265	14%	-39.4%	\$442,054	13%	-33.1%
Other	\$45,588	2%	\$63,824	2%	-28.6%	\$96,163	3%	-52.6%
POP	\$1,858,449	62%	\$2,107,476	58%	-11.8%	\$1,974,439	57%	-5.9%
Transit Pckg	\$219,979	7%	\$95,855	3%	129.5%	\$119,391	3%	84.3%
Recategorize	\$66,921	2%	\$90,583	3%	-26.1%	\$91,114	3%	-26.6%
Wall Hangings	\$27,513	1%	\$94,698	3%	-70.9%	\$72,843	2%	-62.2%
Auto/Transport	\$31,508	1%	\$60,932	2%	-48.3%	\$74,101	2%	-57.5%
Grand Total	2,982,613		3,613,926		-17%	3,470,389		-14%

Top 3 Sales Efforts

Larger-scale initiatives & specific projects beyond standard selling

	August Notes	September	October
General	CRM – Vendor Assessment Finalized Sales Meeting SE RSM – Hired	CRM – Vendor Selection SE RSM - Hired ERP Support	CRM – Begin Implementation Sales Meeting + QBR Stage 2 Price Alignment
Outside	Stage I Price Increase Strat Verticals – Pipeline Build Focus General Pipeline Build	Strat Verticals – Pipeline Build Pipeline progressions – Target 5 Pipeline growth – add \$500K+	Strat Verticals Report Out Quarterly Business Reviews RRE's Targets Optimized
Inside	Stage I Price Increase Franchise Engagement (3) – started 2,000+ location/spend sites Lead Management Implementation	Franchise Engagement – Digital Expansion Churn recovery Lead Management – Close/Advance AUG Open	Set Pipeline Targets @ Ind Level Churn recovery Lead Management – 15%+ conversion
Customer Care	Stage I Price Increase ERP Implementation - Firefighting Ops/CC Meeting Reboot	Continued ERP efficiencies	All channel support – return to normal

Top 20 Pipeline

TOTAL PIPELINE VALUE: \$8.2MM

Top 20: 57% of Total

Criteria:

- Closes in 2020
- High annualized value (>\$50K)

Key Points:

- \$62K secured in August
- 3 Additions
- 1 Loss
- 6 have PO commitments
- 3 at risk –external reasons
- Appliance – delayed due to resourcing
- Annualized Potential ↑ \$736K

Top 3 (Active):

- Mixtiles: New Designs
- Bluff City: Nike DTC pkg
- Superior Packaging: Expand

Segment	Count	2020 Potential		% of Total	2020 Actual (order/invoiced)	Ongoing Annualized Value	% Of Annual
		Value	% of Total				
Appliance	3	\$ 130,000	24%			\$ 999,000	20%
Decorative	3	\$ 47,000	9%	\$	\$ 56,637	\$ 800,000	16%
Industrial	6	\$ 160,000	30%	\$	\$ 34,500	\$ 733,000	15%
POP	2	\$ 35,000	6%	\$	\$ 350	\$ 220,000	5%
Transit Packaging	4	\$ 170,000	31%	\$	\$ 30,363	\$ 2,125,000	44%
Grand Total	18	\$ 542,000		\$	\$ 121,850	\$ 4,877,000	
Last Month	16	\$ 530,000		\$	\$ 60,077	\$ 4,141,000	

Lead Management

NOTE - Data only for 1/2 of August

Key Points:

- Baseline set to build out SEO/Content
- POP Heavy
- Opportunity to ↑ in Transit/Décor/SV
- Opportunity to diversify product exposure
- PO value: 2 @ \$1.100 total

Forward Looking:

- SEO is critical
- Habit set & formatted for CRM integration
- Need to drive opportunity for SV's
- Weekly review for Strategics

Strategic Leads:

- GE Renewable Energy
- Leviton

Lead Status	#	%
Open	36	44%
Closed Won	12	15%
PORecd	2	2%
RelationshipSet	8	10%
Closed Lost	33	41%
CannotContact	13	16%
LostOpp	1	1%
NeedGone	1	1%
DuracoNotInterested	18	22%
BadLeadGoodAccount	0	0%
Total	81	100%

Lead Channel	#	%
MarketingCampaign	20	25%
Other	0	0%
Web Total	59	73%
Web Sample	38	47%
Web Catalog	8	10%
Web Contact Us	12	15%
Web Custom Quote	1	1%
ReferralCustomer	0	0%
ReferralVendor	2	2%
ReferralDuraco	0	0%
Total	81	100%

Interested Product	#	%
Foam Perm	7	9%
Foam Remo	12	15%
Film Perm	24	30%
Film Remo	1	1%
Tissue	0	0%
Transfer	1	1%
WeatherstrippingGasket	3	4%
BagSealing	1	1%
HNL	5	6%
HighBond	4	5%
MagTape	3	4%
Catalog	9	11%
Other	11	14%
Total	81	100%

Lead Industry	#	%
Appliance	0	0%
Automotive & Truck/Trailer	3	4%
Distribution	5	6%
Industrial	14	17%
POP_Printing	29	36%
Transit Packaging	7	9%
Wall Hanging	2	2%
Other	7	9%
"gmail/individual"	14	17%
Total	81	100%

Customer/Prospect	#	%
New	58	72%
Existing	23	28%
Total	81	100%

Strategic Verticals

ROY objective: convert assumptions into tangible results & credible 2021 expectations

Status	Top 20 Pipeline Annual value, '000's	August Notes	September	October
Transit Packaging	Growth \$2.125	DS Smith: Additional Sampling Bluff City: PO's Started	Sample Pack Finalization USPS/Webcor Engagement PCA & Aurora Meetings Add 2 new programs	Sample Pack Launch Webcor – close or kill Shannon Pkg – close/kill
Decorative - Wall Décor - Recover/Refurbish - ?DIY?	Explore .80	Won: MyPhoto, Piinsta	"Target 30" Training Close 1 new account Advance 2 Top 20	Expand engagement list Engage GG
Appliance	Growth \$1.00	Advanced WP: Hi Tack qualified (ILPEA tier) Other projects still slow to move	Advance multiple projects	Sales Meeting Update *reassess point*
Windows & Doors	Assess \$0	Advanced: Marvin Window (price ⬅) New brochures & marketing	Sample Pack Finalization	Sales Meeting Update *reassess point*
RV & Trailer	Assess \$0	Joined RVIA REV Group Engaged Continued Distributor Expansion	Expand Distributor Network LaVanture – expand	Sales Meeting Update *reassess point*

Marketing

Marketing Update

GROWTH OVERVIEW

01

Lead Generation

- Generated **95 leads** through various sources
- **65%** of leads were new vs existing customer leads
- Increased engagement and leads in the Packaging, POP and Wall Décor space in Q4

02

Revenue

- **103%** increase in ecommerce revenue, **85%** increase in orders versus prior month
- Experienced **32%** increase in ecommerce revenue for Teacher's Tape versus prior year
- Experienced a higher conversion rate and lower cart abandonment rate for both websites

03

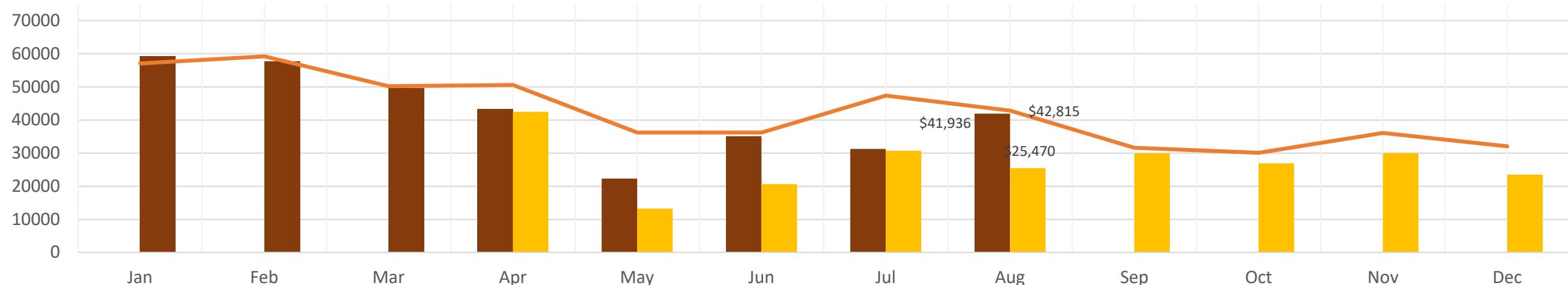
Customer Retention

- YTD customer churn sales positive - **\$131k YTD versus \$140k FY target**
- Continuing to engage our churn customers through email marketing & inside sales efforts
- For Teacher's Tape, **60%** of increased traffic came from customer retention efforts that generated over **\$7,000**

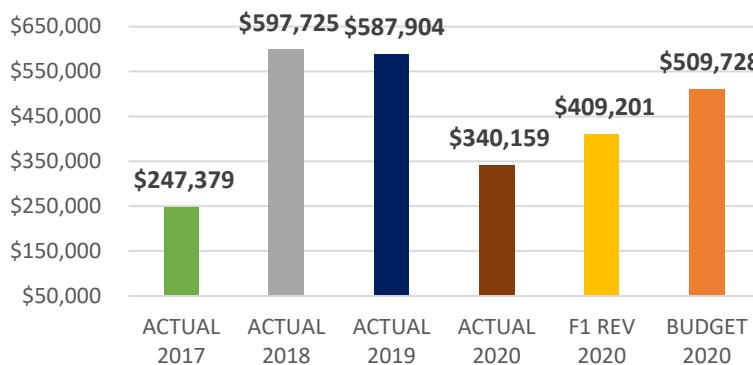
Cost Savings

Duraco Cost Savings Actuals

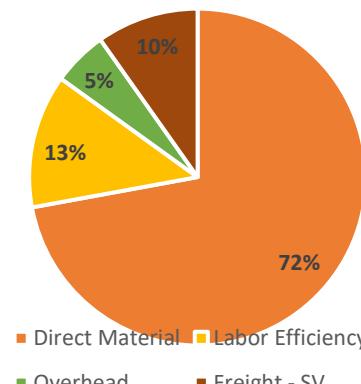
■ ACTUAL 2020 ■ F1 REV 2020 ■ BUDGET 2020



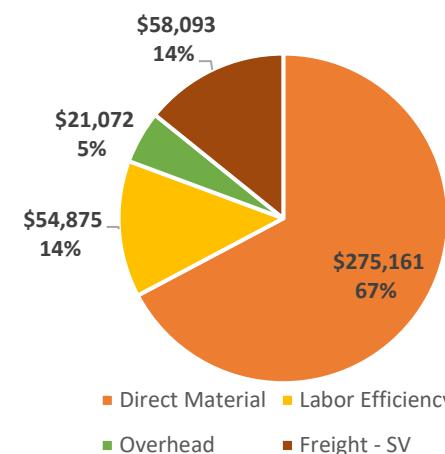
Cost Saving Yearly Comparisson



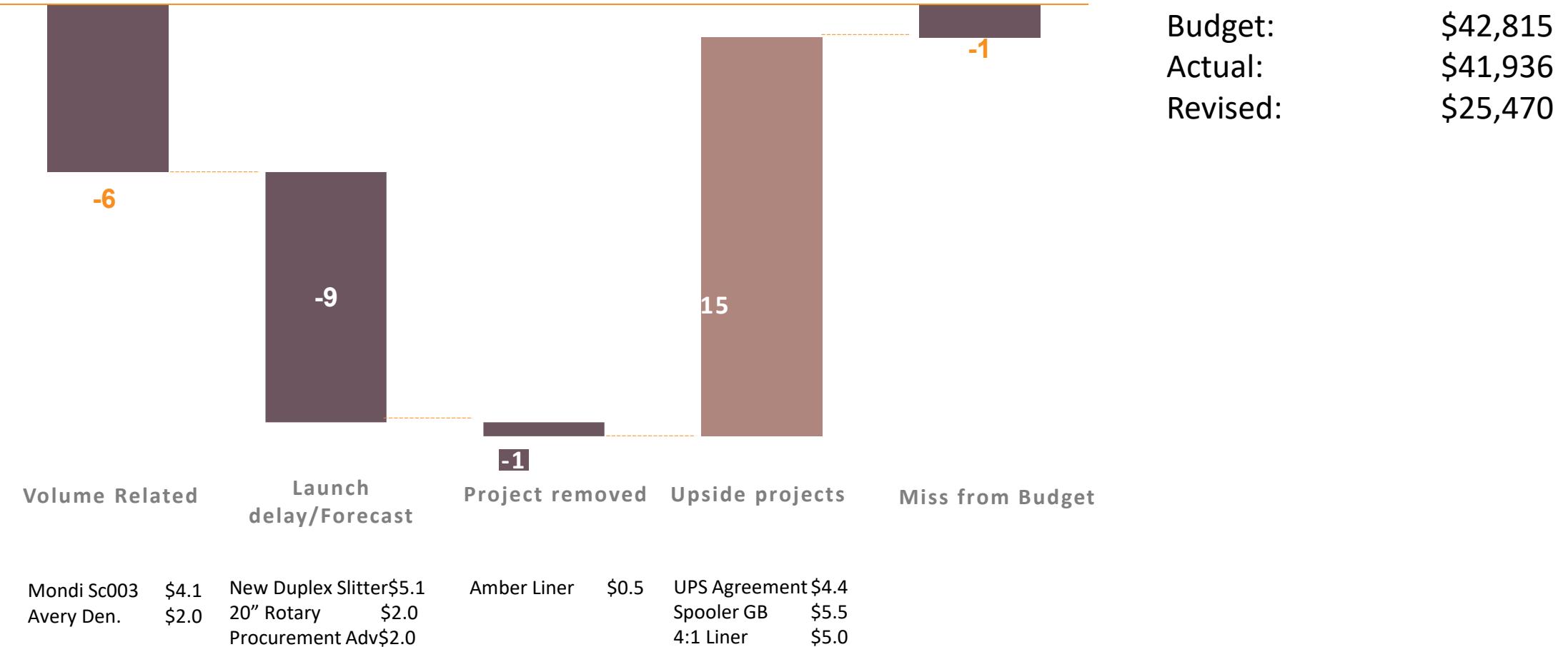
August COST SAVINGS



2020 COST SAVINGS - F1 REV



Cost Savings Bridge Budget Vs Actual(\$000)



Appendix

Duraco 2020 Open Roles

	STATUS
REGIONAL SALES MANAGER MIDWEST	<i>Active recruiting effort - Screening</i>
REGIONAL SALES MANAGER SOUTHEAST	<i>Matt Oberhaus started 8/31</i>
CUSTOMER SERVICE SUPERVISOR	<i>Indefinitely deferred</i>
ASSOCIATE PRODUCT MANAGER	<i>Active recruiting effort - Interviewing</i>
MATERIALS SCIENTIST	<i>Active recruiting effort - Interviewing</i>
SENIOR PROCESS ENGINEER	<i>Active recruiting effort - Screening</i>
MACHINE OPERATOR (4)	<i>Hired 2, Interviewing</i>

Commercial and Sales

Commercial Bowling Chart by Industry Segment

PRIORITY	2020 YTD ACT		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	FY2020
GROWTH															
Plan Totals	\$24,330	PY	\$3,411	\$3,179	\$3,322	\$4,266	\$3,232	\$3,282	\$3,638	\$3,470	\$3,517	\$4,463	\$3,128	\$2,892	\$41,801
	\$24,806	Plan	\$3,290	\$3,231	\$3,374	\$4,332	\$3,298	\$3,496	\$3,784	\$3,614	\$3,637	\$4,654	\$3,461	\$3,302	\$43,473
	\$22,532	Fcst/Act	\$3,449	\$3,141	\$3,372	\$3,453	\$2,525	\$3,184	\$3,408	\$2,983	\$3,637	\$4,654	\$3,461	\$3,302	\$40,568
Point of Purchase	\$15,058	PY	\$2,077	\$1,947	\$2,078	\$2,646	\$2,096	\$1,913	\$2,300	\$1,980	\$2,158	\$2,913	\$1,971	\$1,714	\$25,795
	\$14,994	Plan	\$1,926	\$1,924	\$2,114	\$2,616	\$2,038	\$2,083	\$2,293	\$2,111	\$2,323	\$2,963	\$2,034	\$1,912	\$26,337
	\$12,160	Fcst/Act	\$2,080	\$1,883	\$1,662	\$1,904	\$1,319	\$1,705	\$1,607	\$1,858	\$2,323	\$2,963	\$2,034	\$1,912	\$23,250
Transit Packaging	\$240	PY	\$26	\$24	\$27	\$36	\$51	\$53	\$24	\$119	\$106	\$127	\$85	\$47	\$725
	\$614	Plan	\$79	\$83	\$81	\$90	\$82	\$116	\$83	\$96	\$94	\$101	\$97	\$113	\$1,115
	\$1,609	Fcst/Act	\$201	\$135	\$263	\$190	\$149	\$277	\$393	\$220	\$94	\$101	\$97	\$113	\$2,234
White Goods	\$2,850	PY	\$419	\$352	\$303	\$467	\$348	\$491	\$470	\$384	\$382	\$421	\$370	\$276	\$4,684
	\$3,014	Plan	\$378	\$349	\$354	\$518	\$425	\$494	\$495	\$415	\$392	\$500	\$404	\$439	\$5,164
	\$2,516	Fcst/Act	\$371	\$303	\$448	\$275	\$283	\$406	\$431	\$339	\$392	\$500	\$404	\$439	\$4,591
Industrials	\$3,406	PY	\$444	\$440	\$501	\$583	\$416	\$461	\$561	\$440	\$419	\$473	\$319	\$409	\$5,466
	\$3,410	Plan	\$497	\$491	\$471	\$525	\$429	\$473	\$524	\$486	\$441	\$519	\$409	\$457	\$5,723
	\$2,568	Fcst/Act	\$364	\$340	\$397	\$491	\$303	\$309	\$363	\$296	\$441	\$519	\$409	\$457	\$4,690
Distributors	\$1,192	PY	\$131	\$183	\$137	\$300	\$177	\$140	\$125	\$231	\$227	\$160	\$95	\$124	\$2,030
	\$1,089	Plan	\$112	\$153	\$130	\$276	\$171	\$121	\$125	\$223	\$148	\$237	\$145	\$131	\$1,972
	\$1,383	Fcst/Act	\$219	\$141	\$184	\$156	\$228	\$278	\$176	\$98	\$148	\$237	\$145	\$131	\$2,141
Wall Hangings	\$295	PY	\$110	\$35	\$84	\$27	\$2	\$11	\$24	\$73	\$67	\$147	\$137	\$156	\$875
	\$382	Plan	\$89	\$57	\$46	\$100	\$25	\$30	\$35	\$95	\$77	\$141	\$163	\$67	\$925
	\$1,150	Fcst/Act	\$41	\$221	\$290	\$36	\$177	\$96	\$289	\$28	\$77	\$141	\$163	\$67	\$1,626
Other	\$831	PY	\$127	\$121	\$130	\$123	\$95	\$149	\$85	\$170	\$104	\$146	\$110	\$113	\$1,473
	\$828	Plan	\$131	\$111	\$115	\$126	\$80	\$111	\$154	\$125	\$108	\$137	\$154	\$151	\$1,503
	\$633	Fcst/Act	\$128	\$66	\$93	\$92	\$51	\$93	\$111	\$77	\$108	\$137	\$154	\$151	\$1,260
Unknown	\$457	PY	\$75	\$76	\$62	\$84	\$48	\$62	\$50	\$72	\$55	\$76	\$41	\$52	\$754
	\$475	Plan	\$78	\$62	\$63	\$80	\$49	\$68	\$75	\$63	\$54	\$54	\$56	\$32	\$734
	\$525	Fcst/Act	\$46	\$51	\$35	\$309	\$22	\$35	\$27	\$67	\$54	\$54	\$56	\$32	\$788



Top Customers by MTD and YTD Sales

Parent Customer (Industry)	Current Month Sales	Current Month Plan	Month % of Plan	PY Month Sales	MoM % Change	Current Year Sales	Current Year Plan	YTD % of Plan	Prior Year Sales	YoY % Change
Whirlpool (Appliance)	165,189	216,477	76%	236,440	-30.1%	1,490,562	1,885,623	79%	1,954,189	-23.7%
Ampac (Transit Packaging)	143,592	38,500	373%	65,136	120.4%	1,105,496	308,000	359%	241,237	358.3%
Plastic Power Extrusions Corporation (POP)	89,236	0	Infinity	0	Infinity	105,366	114,110	92%	123,275	-14.5%
Flower City Printing Company (POP)	87,886	32,000	275%	22,365	293.0%	286,160	256,000	112%	223,432	28.1%
Hatteras Press (POP)	87,867	5,864	1498%	5,806	1413.5%	247,496	41,834	592%	42,640	480.4%
Imagine Print Solutions (POP)	83,532	102,987	81%	100,304	-16.7%	438,682	653,970	67%	620,875	-29.3%
Menasha (POP)	74,134	92,510	80%	88,424	-16.2%	557,437	773,203	72%	736,902	-24.4%
GE Appliances (Appliance)	73,697	73,590	100%	20,491	259.7%	380,896	461,428	83%	126,047	202.2%
WestRock (POP)	66,172	76,335	87%	66,465	-0.4%	729,300	605,282	120%	594,069	22.8%
RR Donnelley (POP)	51,519	55,988	92%	11,044	366.5%	401,857	600,607	67%	543,697	-26.1%
ARC Cleveland (POP)	51,009	661	7717%	651	7738.1%	55,392	2,183	2537%	1,929	2771.2%
Great Northern Corporation (POP)	48,098	45,529	106%	43,918	9.5%	177,583	252,938	70%	223,655	-20.6%
PCA Corporation (POP)	46,215	41,358	112%	37,219	24.2%	230,356	353,935	65%	428,872	-46.3%
Bernard Group (POP)	38,849	15,984	243%	12,859	202.1%	144,400	154,512	93%	136,526	5.8%
Rapid Display (POP)	37,955	20,574	184%	20,536	84.8%	221,007	275,689	80%	259,250	-14.8%
La France Corporation (Appliance)	36,942	25,000	148%	4,530	715.4%	423,974	245,000	173%	270,177	56.9%
TMS TECHNICAL MACHINERY SOLUTIONS (Transit Packaging)	35,931	30,000	120%	29,441	22.0%	339,187	240,000	141%	29,441	1052.1%
Circle Graphics (POP)	31,463	83,427	38%	59,434	-47.1%	561,943	327,692	171%	251,409	123.5%
QUAD GRAPHICS NEW BERLIN (POP)	31,248	32,397	96%	22,902	36.4%	242,265	215,114	113%	158,305	53.0%
Bay Cities Container Corporation (POP)	30,381	28,672	106%	13,735	121.2%	94,489	151,962	62%	153,864	-38.6%
Essentra (POP)	28,067	5,900	476%	3,497	702.5%	247,398	18,591	1331%	40,894	505.0%
Adams Magnetic Products Company (POP)	27,550	6,048	456%	5,987	360.1%	51,088	6,243	818%	6,178	726.9%
CANPLEX PROFILES (POP)	27,077	18,735	145%	16,479	64.3%	125,120	127,224	98%	118,407	5.7%
Alliance Laundry Systems LLC (Appliance)	26,401	27,095	97%	27,944	-5.5%	178,599	237,082	75%	224,997	-20.6%
Clark Rubber And Plastic Company (POP)	25,794	4,131	624%	4,090	530.6%	88,662	42,678	208%	43,926	101.8%
SIGMA SUPPLY INC (AR) (Distribution)	25,625	0	Infinity	0	Infinity	33,488	6,605	507%	6,087	450.2%
Hennessy Industries - Bada (Automotive & Transpo)	23,462	33,338	70%	41,670	-43.7%	259,290	291,709	89%	273,466	-5.2%
ATLANTIC PACKAGING (Distribution)	21,058	23,328	90%	20,047	5.0%	158,527	223,551	71%	199,288	-20.5%
Sifftron (POP)	20,981	60,000	35%	102,943	-79.6%	370,713	304,000	122%	331,767	11.7%
Serigraph Incorporated (POP)	20,758	40,352	51%	48,522	-57.2%	157,489	245,218	64%	251,533	-37.4%
Gulf Atlantic Packaging Corp (Distribution)	20,540	11,788	174%	11,670	76.0%	132,412	79,662	166%	81,581	62.3%
Innomark (POP)	19,955	25,000	80%	15,941	25.2%	91,264	266,000	34%	272,471	-66.5%
PRESSURE SENSITIVE NETWORK (POP)	19,746	30,015	66%	13,996	41.1%	115,397	137,655	84%	171,991	-32.9%
Central Package & Display (POP)	18,169	0	Infinity	0	Infinity	72,707	77,152	94%	77,862	-6.6%
Donaldson (Industrial)	17,102	27,080	63%	24,543	-30.3%	200,509	236,952	85%	240,146	-16.5%
Formtech Enterprises Inc (POP)	16,207	11,003	147%	10,894	48.8%	60,213	59,896	101%	60,827	-1.0%
Total	2,982,613	3,613,926	83%	3,470,389	-14.1%	25,532,255	28,419,687	90%	27,800,529	-8.2%

YTD Sales and YTD GVA

Customer Industry	Current Year Sales	Prior Year Sales	YoY \$ Change	YoY % Change	Current Year Plan	YTD Plan % Change
Appliance	2.86M	3.23M	(\$0.38M)	-11.7%	3.43M	-16.7%
Automotive & Transpo	0.35M	0.46M	(\$0.11M)	-24.1%	0.53M	-33.2%
Distribution	1.23M	1.22M	\$0.01M	1.2%	1.16M	6.6%
Industrial	2.85M	3.88M	(\$1.04M)	-26.7%	3.93M	-27.7%
Other	0.65M	0.53M	\$0.12M	22.4%	0.42M	54.9%
POP	10.37M	12.49M	(\$2.12M)	-17.0%	12.38M	-16.3%
POP (Top 10)	3.77M	4.45M	(\$0.67M)	-15.1%	4.62M	-18.4%
Transit Packaging	1.83M	0.36M	\$1.47M	408.3%	0.68M	167.1%
Unknown Market	0.42M	0.80M	(\$0.38M)	-47.2%	0.78M	-45.9%
Wall Hangings	1.18M	0.37M	\$0.81M	220.1%	0.48M	147.0%
Total	25.51M	27.80M	(\$2.29M)	-8.2%	28.42M	-10.2%

POP (Top 10)

Circle Graphics

Freeman

Great Northern Corporation

Imagine Print Solutions

Menasha

PCA Corporation

Rapid Display

RR Donnelley

Siftron

Westrock

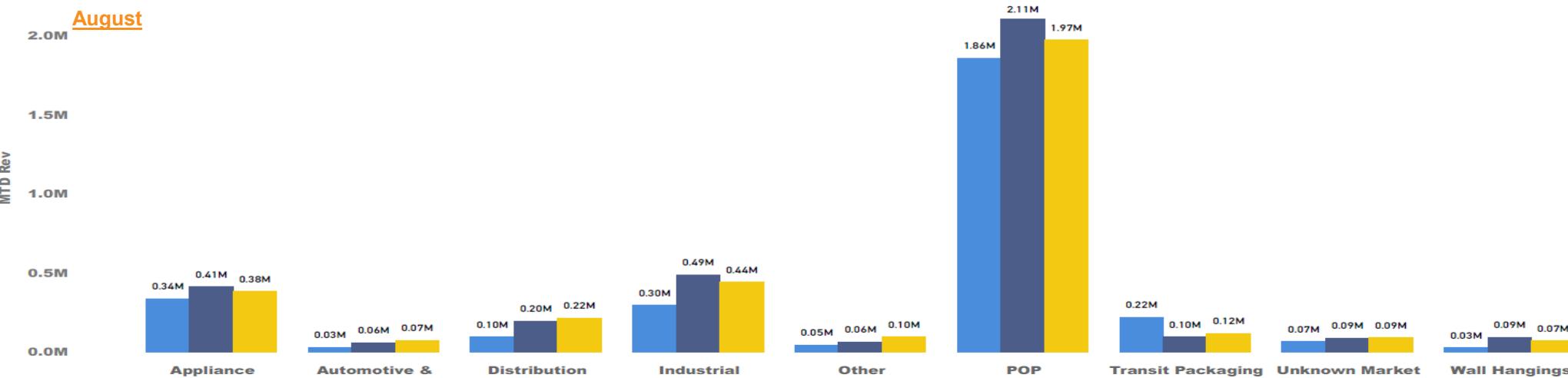


Revenue by Customer Segment

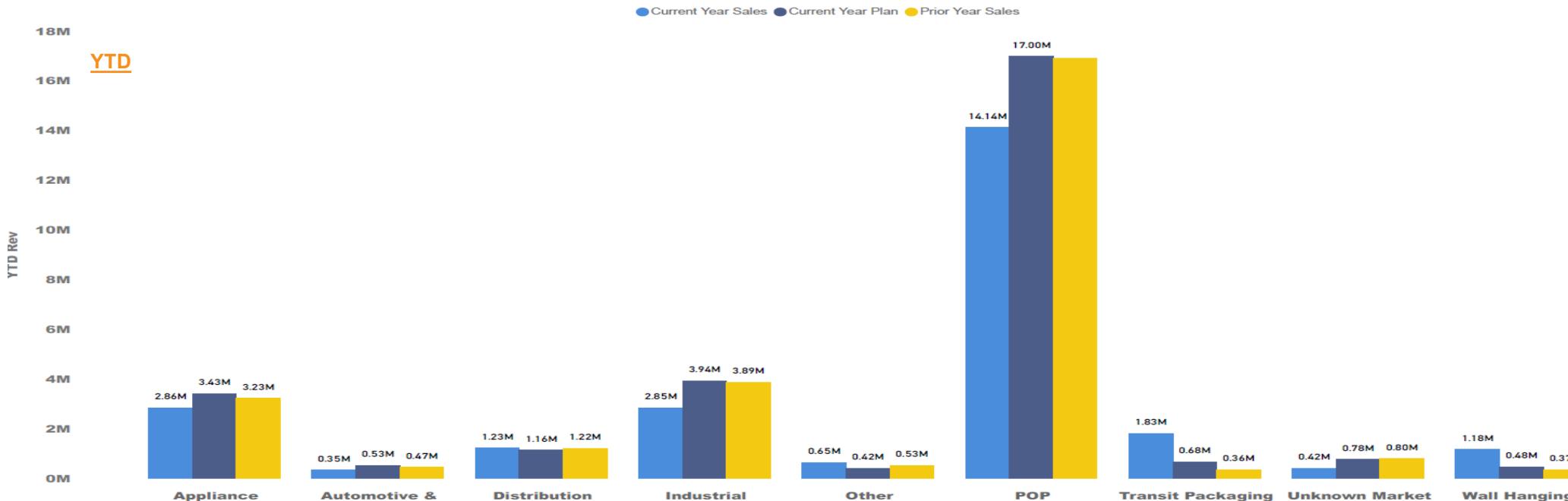
NET REVENUE CURRENT YEAR VS PREVIOUS YEAR

● Current Month Sales ● Current Month Plan ● PY Month Sales

August



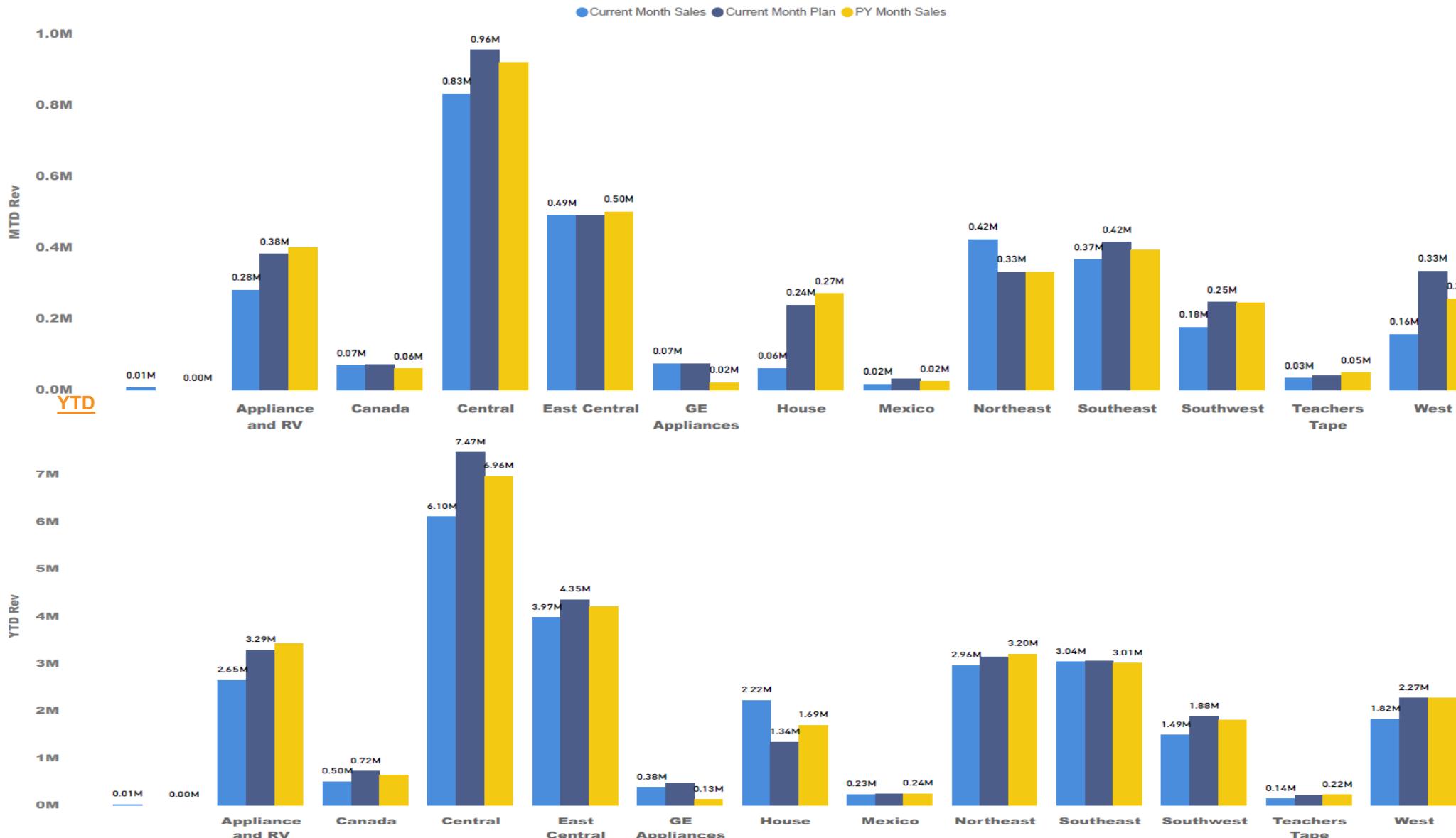
YTD



Revenue by Region

NET REVENUE CURRENT YEAR VS PREVIOUS YEAR

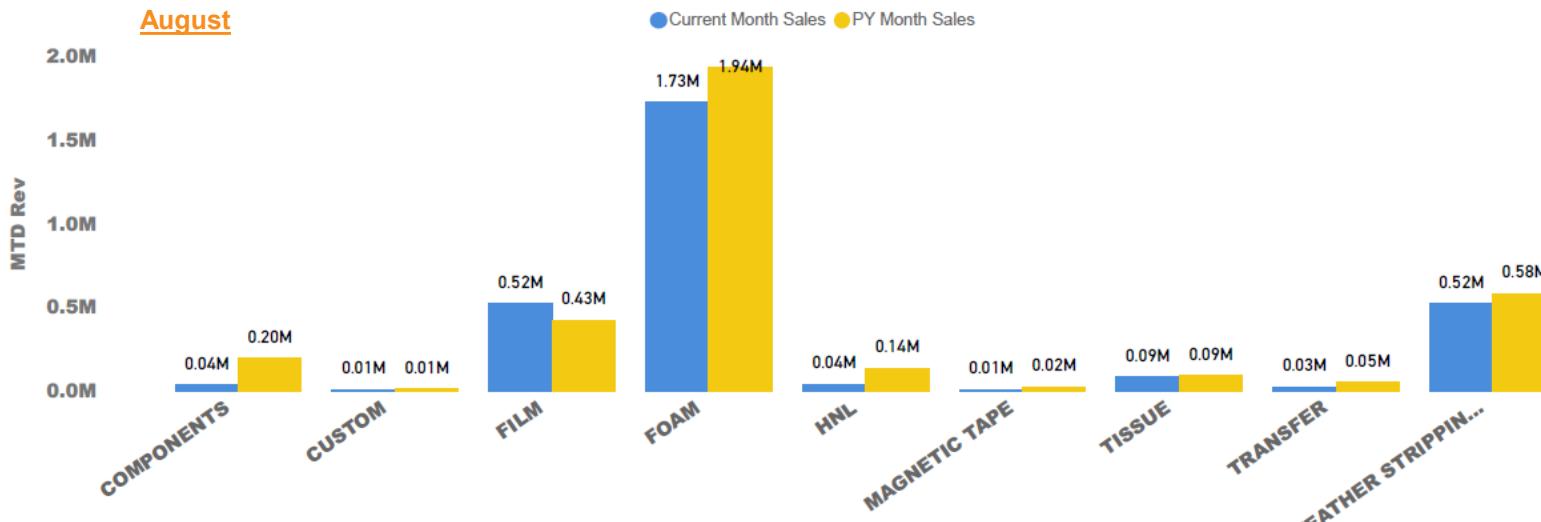
August



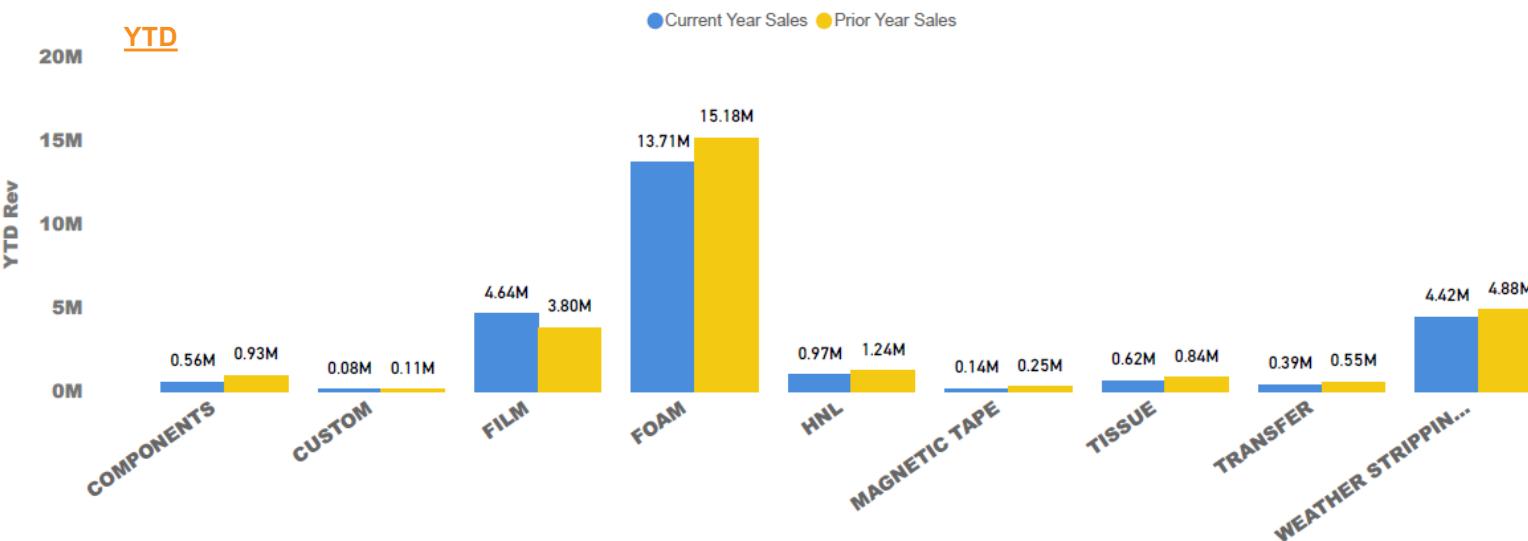
Revenue by Product Category

NET REVENUE CURRENT YEAR VS PREVIOUS YEAR

August



YTD



Management Discussion:

Film stays as the only product, with YTD growth, being up \$842k. MoM it saw an increase of \$97k. This is led by product lines that are directed at the strategic target of Transit Packaging:

- 4481 – Up \$97k
- 4581 – Up \$23k
- Duraco Red – Up \$9k
- Tear Tape – Up \$3k
- This product line was also led by increases we are seeing in POP and other industries:
 - Sigma Supply – Remo One Film – Up \$26k
 - Plastic Power – DK Film 1.25 – Up \$16k
 - Quad Graphics – 4081 – Up \$8k

Weather Stripping & Gasket are still seeing shrinking sales, down MoM \$61k and YTD \$455k. Decrease is led by:

- Whirlpool, down YTD \$464k
 - Low Density PVC – Down \$277k
 - Polyethylene – Down \$288k
 - High Density Urethane – Down \$47k
- Polyethylene, though, has seen a YTD growth, because of Face Shields, that is up \$120k. This is led by:
 - Key Interiors – Up \$293k
 - Hatteras Press – Up \$204k
 - Platinum Converting – Up \$53k

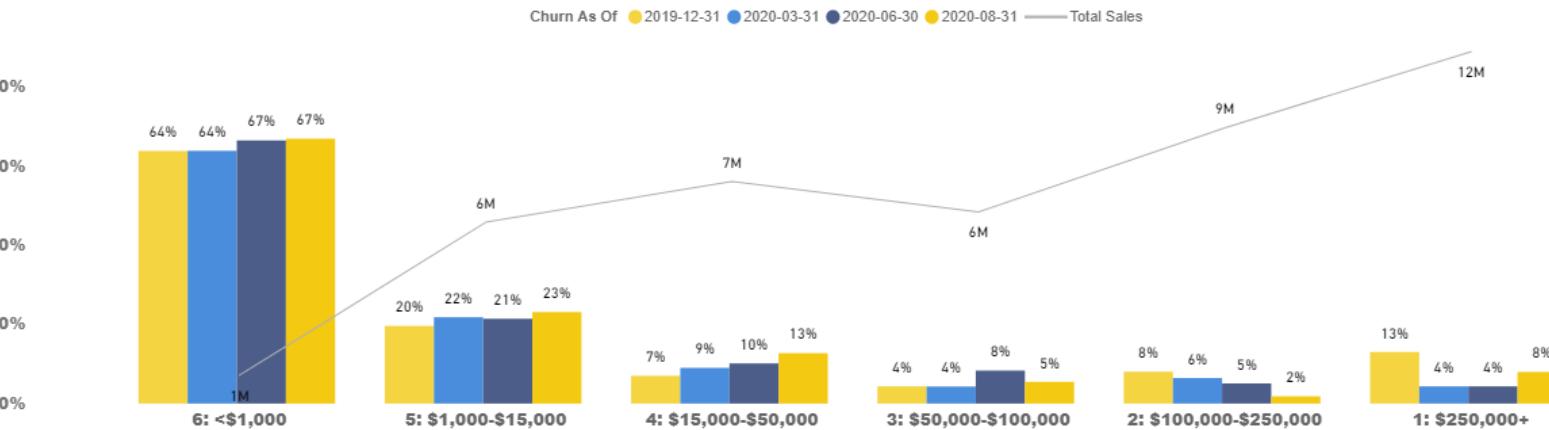
The Foam product family, mainstay of the POP industry, has seen continued shrinking sales. MoM it is down \$210k and YTD is down \$1,471k. The Removable products in this family had been a Marketing focus earlier in the year, saw a drop in MoM:

- YTD – Up \$79k
- MoM – Down \$154k
- The largest drop is in Remo Two
 - YTD - Down \$707k
 - MoM - Down \$156k
 - Led by drop in Trade Show industry
 - Freeman YTD – Down \$382k

Customer Churn

Defined as customers with a trailing 12-month product revenue is less than 10% of the 12-24 month product revenue, excluding Teachers Tapes (B2C channel)

% of Customers Churned



Management Discussion:

Strategic initiative, working to improve churn rate for <\$50k accounts

- Duraco to improve our online ordering process with a new website (launched July 2020!)
- Marketing building reengagement campaign to incent customers back to Duraco, through combination of digital and direct mail campaigns
- Inside Sales to directly engage with Churn to win back business
- Outside sales to support Inside Sales when larger opportunities are identified, or to win back customers
- Tracking month activities (Bowler)

Details:

Customers \$250k+ (2 accounts)

- Paroc – stopped ordering due to tape specifications
- Essentra Components Erie – duplicate account

Customers \$100k - \$250k (1 account)

- Bergmann Group – business moved to Metallon

Customers \$50k - \$100k (5 accounts)

- VGS Visual Graphic Systems – large Twin Stick jobs did not repeat. Needs a call from sales.
- MexTape – TJ – this appears to be order pattern,
- PCA of America – large Duraco Red project not repeat
- Two duplicate customers (from Essentra Canada)

Customers \$15k - \$50k (34 accounts)

- All churn customers \$1-50k are sent to inside sales for immediate action. This is now actively managed on the new executive and sales report

Customers \$1k - \$15k (322 accounts)

- All churn customers \$1-50k are sent to inside sales for immediate action. This is now actively managed on the new executive and sales report

Customers under \$1k (2808 accounts)

- Churn is relatively flat and will reduced with focused digital marketing campaigns and user-friendly website

2020 Commercial KPIs

DURACO
Sales Dashboard
Date Range
Industry
Territory
Sales Tier
Account Classification

8/2/2020
8/29/2020
Appliance
All
All
All

As of
08/29
% of Month
100%
MTD Sales
\$339.10K
PY MTD Sales
\$384.23K
Month Plan
\$414.82K
YTD Sales
\$2.86M
PY YTD Sales
\$3.23M
YTD Plan
\$3.43M

-45.1K -11.7%
-75.7K -18.3%
-377...-11.7%
-571...-16.7%

Segment
Territory

Industry	MTD Sales	Month Plan	MTD Plan Δ %	PY MTD Sales	MTD Δ %	YTD Sales	YTD Plan	YTD Plan Δ %
Appliance	\$339,102	\$414,823	-18.3%	\$384,231	-11.7%	\$2,856,924	\$3,428,589	-11.7%
Total	\$339,102	\$414,823	-18.3%	\$384,231	-11.7%	\$2,856,924	\$3,428,589	-11.7%

Territory	MTD Sales	Month Plan	MTD Plan Δ %	PY MTD Sales	MTD Δ %	YTD Sales	YTD Plan	YTD Plan Δ %
Appliance and RV	\$265,405	\$341,233	-22.2%	\$363,740	-27.0%	\$2,375	\$2,001	-15.0%
Total	\$339,102	\$414,823	-18.3%	\$384,231	-11.7%	\$2,856,924	\$3,234,487	-11.7%

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Customers
Products

Customer Name	Acct Number	MTD Sales	Month Plan	MTD Plan Δ %	PY MTD Sales
Whirlpool Corporation - Clyde	6100002	\$67,742	\$96,364	-29.7%	\$107,100
GE Appliances	6106519	\$73,697	\$73,590	0.1%	\$19,100
Whirlpool Corporation - Marion	6100004	\$56,713	\$67,644	-16.2%	\$70,100
Alliance Laundry Systems LLC	6102470	\$26,401	\$27,095	-2.6%	\$27,100
La France Corporation	6101469	\$36,942	\$25,000	47.8%	\$4,100
Plastic Products Company Incorporated	6102072	\$7,148	\$22,000	-67.5%	\$43,100
Whirlpool Corporation - Cleveland	6100000	\$12,856	\$17,466	-26.4%	\$19,100
Total		\$339,102	\$414,823	-18.3%	\$384,231

Product Family	MTD Sales	PY MTD	MTD Δ %	YTD	PY YTD
WEATHER STRIPPING & GASKET	\$236,018	\$343,071	-31.2%	\$1,933,384	\$2,809,904
FOAM	\$97,457	\$15,811	516.4%	\$739,305	\$342,085
COMPONENTS	\$4,971	\$6,633	-25.1%	\$169,511	\$60,068
HNL	\$657	\$101	550.0%	\$2,375	\$2,001
KIT	\$0	NaN	NaN	\$0	\$0
Total	\$339,102	\$384,231	-11.7%	\$2,856,924	\$3,234,487

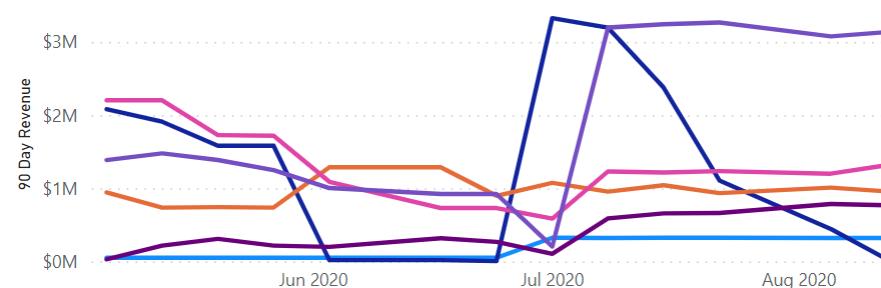
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Historical Pipeline Analysis

90 Day Revenue by Date and Opp Owner

Opp Owner ● Greg Precup ● Jake Schoch ● Kevin Fierro ● Nick Darling ● Rick Mucino ● Todd Compton



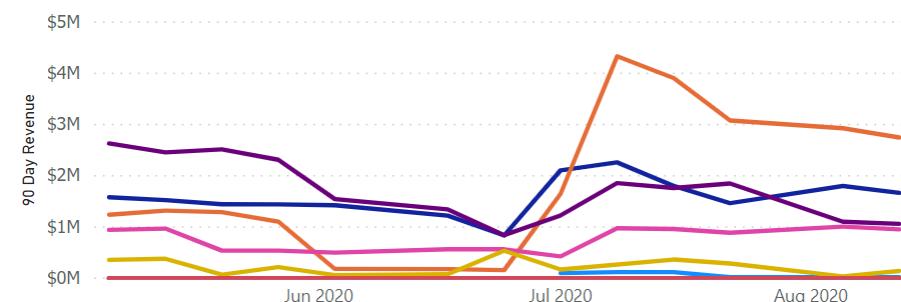
Date Range

1/1/2019

8/28/2020

90 Day Revenue by Date and Stage

Stage ● 1 - Defini... ● 2 - Propo... ● 3 - Prese... ● 4 - Com... ● 5 - Imple... ● 6 - Close... ● 6 - Close...



Date	Greg Precup	Jake Schoch	Kevin Fierro	Nick Darling	Rick Mucino	Todd Compton	Total
5/6/20	\$62,250.00	\$2,092,606.00	\$955,000.00	\$38,500.00	\$2,213,000.00	\$1,396,000.00	\$6,757,356.00
5/13/20	\$62,250.00	\$1,920,640.00	\$746,000.00	\$226,500.00	\$2,213,000.00	\$1,488,000.00	\$6,656,390.00
5/20/20	\$62,250.00	\$1,592,819.00	\$753,000.00	\$319,000.00	\$1,738,000.00	\$1,397,000.00	\$5,862,069.00
5/27/20	\$62,250.00	\$1,592,819.00	\$747,000.00	\$228,000.00	\$1,728,000.00	\$1,260,000.00	\$5,618,069.00
6/3/20	\$62,250.00	\$28,650.00	\$1,298,000.00	\$210,000.00	\$1,100,000.00	\$1,014,000.00	\$3,712,900.00
6/17/20	\$62,250.00	\$28,650.00	\$1,298,000.00	\$328,000.00	\$741,000.00	\$933,000.00	\$3,390,900.00
6/24/20	\$62,250.00	\$15,000.00	\$908,000.00	\$278,000.00	\$741,000.00	\$933,000.00	\$2,937,250.00
7/1/20	\$334,541.00	\$3,337,270.00	\$1,085,000.00	\$115,500.00	\$595,000.00	\$213,000.00	\$5,680,311.00
7/8/20	\$331,200.00	\$3,205,201.00	\$965,000.00	\$600,000.00	\$1,241,000.00	\$3,208,000.00	\$9,550,401.00
7/15/20	\$334,541.00	\$2,387,312.00	\$1,052,000.00	\$667,500.00	\$1,226,000.00	\$3,253,000.00	\$8,920,353.00
7/22/20	\$334,541.00	\$1,117,626.00	\$945,000.00	\$672,500.00	\$1,246,000.00	\$3,277,000.00	\$7,592,667.00
8/5/20	\$331,200.00	\$454,778.00	\$1,019,000.00	\$796,500.00	\$1,210,000.00	\$3,087,000.00	\$6,898,478.00
8/12/20	\$331,200.00	\$42,042.00	\$969,000.00	\$779,000.00	\$1,326,000.00	\$3,144,500.00	\$6,591,742.00
Total	\$2,432,973.00	\$17,815,413.00	\$12,740,000.00	\$5,259,000.00	\$17,318,000.00	\$24,603,500.00	\$80,168,886.00



Inside Sales: Manager Report

Date Range
1/1/2020 8/28/2020

Inside Sales Rep
All

Avg Customer Actions

33.4

Target: 50/week

% Outbound Actions

53.6%

Target: 50%

Avg Samples Sent

2.7

Target: 3/week

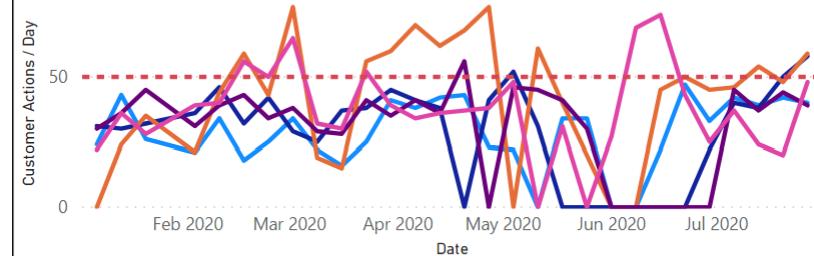
Avg RSM Engagements

1.9

Target: 1/week

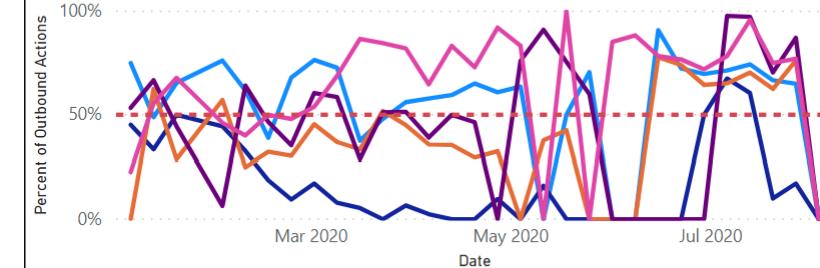
Customer Actions

Team_Member ● Joe ● Rachel ● Renee ● Rob ● Walt



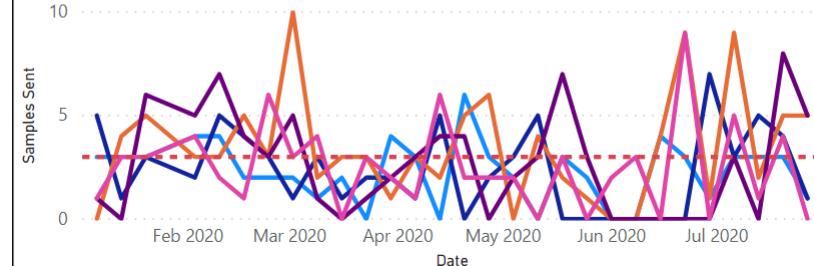
Percent of Outbound Actions

Team_Member ● Joe ● Rachel ● Renee ● Rob ● Walt



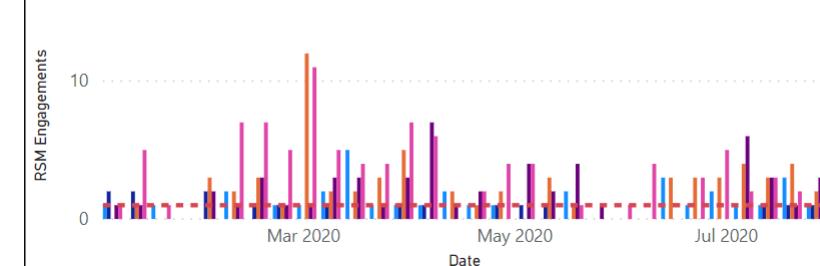
Samples Sent

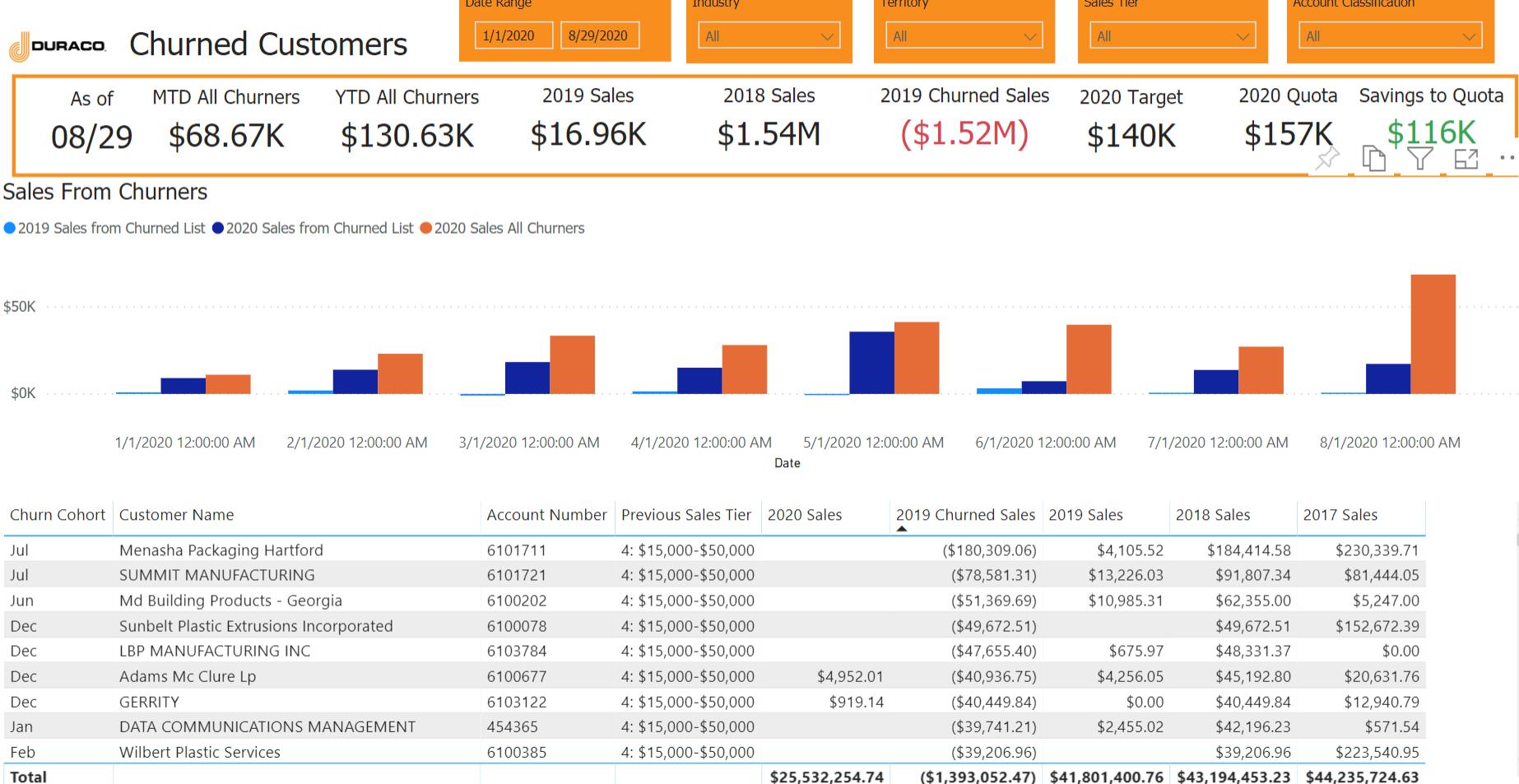
Team_Member ● Joe ● Rachel ● Renee ● Rob ● Walt



RSM Engagements

Team_Member ● Joe ● Rachel ● Renee ● Rob ● Walt





Share of Wallet: New Customers		Date Range 1/1/2020 8/29/2020	Sales Tier Filter All	Industry All	Territory All	Account Classification All
As of 08/29		MTD Sales 2020 New \$71.05K	2019 MTD New Cust Sales \$107.68K	-34%		YTD Sales 2020 New \$811.95K
MTD New Accounts 331		2019 MTD New Accounts 196	69%		2019 YTD New Cust Sales \$486.00K	67%
YTD New Accounts 1081		2019 YTD New Accounts 1238	-13%			

2020 New Customer Sales vs 2019



2020 New Customer Accounts vs 2019



Customer Name	Acct Number	Industry	Sales Tie
TMS TECHNICAL MACHINERY SOLUTIONS	6106789	Transit Packaging	7: New C
Key Interiors	6107015	Other	8: New C
GP Corrugated Tolleson AZ	6106967	Transit Packaging	8: New C
TEMA NORTH AMERICA LLC	6603306	Industrial	7: New C
EI Paso Paper Box	6701129	Transit Packaging	7: New C
Shutterfly	6107048	Wall Hangings	8: New C
Adventa	6106800	Wall Hangings	7: New C
RAMCEL	6107020	Other	8: New C
Cellofoam North America Inc	6603130	Industrial	7: New C
MetalIon	6106851	Industrial	7: New C
HSC	6106860	Distribution	7: New C
KD Services	6106798	Transit Packaging	7: New C
Party City Inc	6212543	POP	7: New C
COLORTECH GRAPHICS	6106892	POP	8: New C
Tailored Label	6107057	Distribution	8: New C
Total			

Revenue Review – Spending Tier

Spend Tier	MTD Sales	% of Total	MTD Plan	Diff	PY MTD	Diff	YTD	% of Total	YTD Plan	Diff	PY YTD	Diff
1: >\$250,000	\$1,240,162	42%	\$1,433,031	-13.5%	\$1,354,884	-8.5%	\$10,668,859	42%	\$10,825,702	-1.4%	\$10,787,982	-1.1%
2: \$100,000 - \$250,000	\$389,349	13%	\$567,927	-31.4%	\$453,273	-14.1%	\$3,212,143	13%	\$4,275,710	-24.9%	\$3,888,723	-17.4%
3: \$50,000 - \$100,000	\$335,967	11%	\$437,447	-23.2%	\$436,285	-23.0%	\$2,829,890	11%	\$3,401,961	-16.8%	\$3,465,289	-18.3%
4: \$15,000 - \$50,000	\$293,718	10%	\$507,140	-42.1%	\$494,818	-40.6%	\$3,225,586	13%	\$4,248,645	-24.1%	\$4,237,079	-23.9%
5: \$1,000 - \$15,000	\$450,269	15%	\$457,901	-1.7%	\$450,977	-0.2%	\$3,177,172	12%	\$4,109,211	-22.7%	\$4,056,463	-21.7%
6: <\$1,000	\$100,141	3%	\$64,372	55.6%	\$68,519	46.1%	\$776,492	3%	\$502,758	54.4%	\$502,531	54.5%
7: New Customer Last Year	\$101,956	3%	\$110,021	-7.3%	\$98,998	3.0%	\$794,304	3%	\$747,256	6.3%	\$435,635	82.3%
8: New Customer This Year	\$71,052	2%	\$0	n/a	\$0	n/a	\$794,092	3%	\$0	n/a	\$0	n/a
Other	\$0	0%	\$36,087	-100.0%	\$112,635	-100.0%	\$53,717	0%	\$308,444	-82.6%	\$426,828	-87.4%
Grand Total	\$ 2,982,613		\$ 3,613,926	-17%	\$ 3,470,389	-14%	\$ 25,532,255		\$ 28,419,687	-10%	\$ 27,800,529	-8%

STRENGTHS

- Some POP rebound as pivot to signage
- Ampac, Flower City, PCA, Rapid Display
- RRD: Home Depot program
- Multiple large blankets: Circle Graphics/Mixtiles
- Tier 5: stronger than July

CHALLENGES

- Tier 4: substantially lower than July
- Service impacted multiple mid-tier accounts
- Ongoing COVID impact
 - Freeman
 - Stumps

POWER PO'S (one-time projects)

- Plastic Power, \$89K
- Hatteras Press, \$88K
- Adams Magnetic, \$28K

September Priorities

REVENUE

INTAKE

- Target at or above PY

FUTURE GROWTH

CRM

- Finalize provider

LEAD MANAGEMENT

- Full month reporting

SALES MEETING PLANNING

- Theme: Pivot to Growth

PIPELINE

- Continue push – Strategic Verticals Focus
- Establish phased targets

PROFIT

SUPPORT STAGE 2 INCREASE EFFORTS

GENERAL

CONTINUE SEARCH: MW SALES

Marketing & Product Management Overview

Marketing Measurement

KPI'S

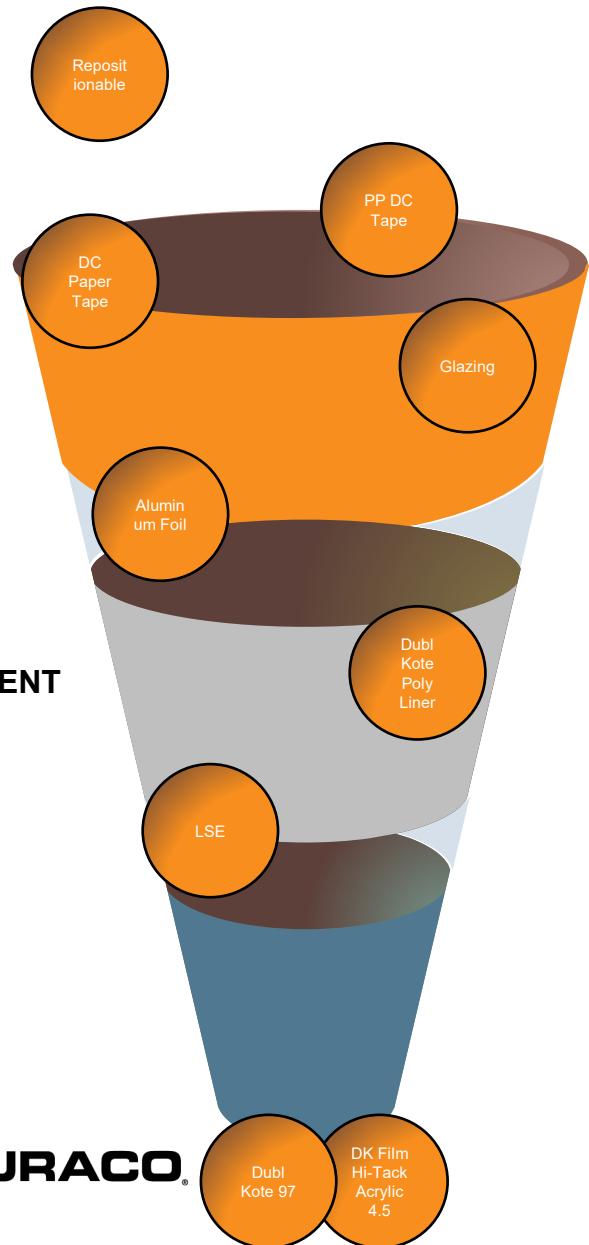
Top Level Bowling Chart

	# of Days	22	20	20	24	19	22	22	20	19	25	18	22	253	
*New Website Launch															
KPI	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC			
Awareness															
Total Website Visitors	PY	12,767	11,645	12,418	12,118	13,021	13,560	13,040	12,110	11,160	11,867	11,478	10,000	145,184	
	Fcst/Act	11,237	31,369	44,341	8,777	6,870	5,651	4,496	13,902	11,160	11,867	11,478	10,000	171,148	
New Website Users	PY	11,863	10,645	11,380	11,150	12,031	12,691	12,190	11,159	10,249	10,902	10,696	5,869	130,825	
	Fcst/Act	9,549	11,275	39,494	8,391	5,148	5,035	3,901	11,400	10,249	10,902	10,696	5,869	131,909	
Web Pages Visited Per Session	PY	4	4	4	4	4	3	4	4	4	4	3	4	3.72	
	Fcst/Act	4	4	4	4	4	5	5	4	4	4	3	4	3.99	
Average Website Session	PY	113	124	113	108	111	100	105	110	116	123	100	132	112.91	
	Fcst/Act	120	108	115	137	145	184	210	188	116	123	100	132	141.64	
Website Bounce Rate	PY					50%	47%	46%	51%	49%	55%	49%	49%	49%	
	Fcst/Act	51%	54%	56%	54%	48%	49%	47%	36%	51%	49%	55%	49%	50%	
Lead Generation/Customer Acquisition															
CTR (Impressions/Clicks)	PY	N/A													
	Fcst/Act	4%	4%	5%	3%	3%	4%	4%	4%						
Total Leads	PY	154	117	155	218	289	198	57	28	32	75	59	90	1,472	
	Plan	162	123	163	229	303	208	60	29	34	79	62	95	1,546	
Total Opportunities	Fcst/Act	119	46	64	18	6	25	31	95	34	79	62	95	673	
	Avg.	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
Total New Customers Acquired	Plan	7	3	4	1	0	2	2	6	2	5	4	6	40	
	Fcst/Act	2	4	0	4	3	3	0	10					26	
Total Ecommerce Sales	PY	\$ 64,551	\$ 42,833	\$ 46,445	\$ 67,626	\$ 61,203	\$ 43,590	\$ 37,754	\$ 51,865	\$ 43,690	\$ 27,193	\$ 32,459	\$ 30,805	\$ 550,014.62	
	Fcst/Act	\$ 52,019	\$ 22,245	\$ 21,942	17,062.00	\$ 15,919	\$ 29,306	\$ 20,774	43,000	\$ 43,690	\$ 27,193	\$ 32,459	\$ 30,805	\$ 339,351.04	
Website Abandoned Cart Rate	PY	74%	75%	71%	72%	72%	71%	76%	74%	74%	83%	71%	73%	74%	
	Fcst/Act	72%	76%	79%	81%	80%	76%	74%	73%	74%	83%	71%	73%	76%	
ROAS (Google Ads Only)	PY	N/A	0												
	Fcst/Act	0	0	0	0	0	0	0	0	0				0	
Customer Retention															
1K - 50K Customers Emailed (Non-Churn)	PY	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Fcst/Act	0	50,000	48,000	48,000	48,000	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200	
Customer Reactivation															
Customers Emailed (Churn)	PY	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Fcst/Act	0	890	890	1020	1180	1265	1265	1265	1265	1265	1265	1265	1265	
1K - 50K Customer Actions (Churn)	PY	0	0	0	0	0	0	0	0	0					
	Plan	287	51	41	55	53	33	50	0						
	Fcst/Act	287	51	41	55	0	86	0	50						



Product Development

IDEATION



LAUNCH

PRODUCTS	DESCRIPTION	MARKETS / USAGE	
DK Film Hi Tack Acrylic 4.5	DK Film with a hi-tack acrylic adhesive – 4.5 mils thick .	Industrial – Competing against 3M 200 and 300 adhesives.	Launched 8/14/2020
LSE	.Adhesive for DFFT or film tape that bonds to LSE / Powder Coated / UV coated surfaces.	Focus will be on POP industry.	10/30/2020
Dubl Kote 97	In conjunction with above. Developed for Tema with higher initial tack and wet out than standard Dubl Kote	Primarily POP industry but also industrial applications where higher tack is important.	Currently Available
Dubl Kote Poly Liner	Our standard Dubl Kote product line, provided with a Polypropylene or Polyethylene liner	POP – Replacing our paper protective liner with a plastic film that allows for easier release, without tearing. Primarily plastic profile extruders	TBD
Aluminum Foil	3 to 5 mil thick aluminum with a rubber based adhesive. Designed to be slit and die cut as comparable to Avery FT-0815.	General industrial but focus on appliance.	TBD
Glazing Tape	DFFT to meet AAMA 810,1	Window industry for glazing.	11/2/2020
DC Paper Tape	Paper carrier with double coated rubber based adhesive.	Transit Packaging. Shannon Packaging.	TBD
PP Double Coated Tape	Double coated tape with PP carrier. Greater elongation can provide less residue and harder to tear.	Packaging and POP. Superior Packaging.	TBD
Repositionable	Adhesive system that is removable but also able to be reapplied numerous times.	POP	TBD



Infinity Overview

Infinity Tapes

UPDATE

- August finish was 120% of 2019 Aug, bringing YTD at 127% of 2019. Growth YTD overall is \$1,671.7K with all areas up:





infinity tapes
infinite possibilities

Infinity Tapes

PRIORITY	2020 YTD ACT		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	FY2020
GROWTH															
Infinity Tapes Total Sales	\$6,242.4	PY	\$776.7	\$779.4	\$816.5	\$777.2	\$785.4	\$745.4	\$725.9	\$835.8	\$775.3	\$1,062.5	\$924.9	\$745.4	\$9,750.6
	\$6,563.0	Plan	\$812.0	\$814.0	\$853.0	\$812.0	\$821.0	\$779.0	\$799.0	\$873.0	\$810.0	\$1,100.0	\$966.0	\$779.0	\$10,218.0
	\$7,912.9	Fcst/Act	\$865.8	\$853.5	\$933.6	\$1,053.4	\$824.1	\$1,129.9	\$1,249.2	\$1,003.4	\$1,100.0	\$1,100.0	\$1,000.0	\$900.0	\$12,012.9
Bellepak	\$778.3	PY	\$75.9	\$130.6	\$124.1	\$78.9	\$67.8	\$84.8	\$113.1	\$103.1	\$64.2	\$125.8	\$139.1	\$66.1	\$1,173.4
	\$782.3	Plan	\$97.8	\$97.8	\$97.8	\$97.8	\$97.8	\$97.8	\$97.8	\$97.8	\$97.8	\$97.8	\$97.8	\$97.8	\$1,173.4
	\$923.1	Fcst/Act	\$121.7	\$96.0	\$116.4	\$105.9	\$96.3	\$112.6	\$148.2	\$126.0	\$97.8	\$97.8	\$97.8	\$97.8	\$1,314.3
Sealed Air: Nine locations	\$599.4	PY	\$79.5	\$49.7	\$94.0	\$71.2	\$110.4	\$50.5	\$71.4	\$72.6	\$72.9	\$90.4	\$79.5	\$78.2	\$920.3
	\$644.7	Plan	\$78.2	\$78.2	\$78.2	\$82.0	\$82.0	\$82.0	\$82.0	\$82.0	\$82.0	\$82.0	\$82.0	\$82.0	\$972.7
	\$744.0	Fcst/Act	\$78.7	\$92.0	\$81.1	\$103.0	\$80.0	\$104.0	\$84.9	\$120.3	\$82.0	\$82.0	\$82.0	\$82.0	\$1,072.0
Poly Pak Ind	\$338.2	PY	\$49.2	\$27.9	\$48.6	\$38.8	\$32.1	\$49.6	\$40.5	\$51.4	\$36.5	\$40.7	\$62.9	\$53.2	\$531.4
	\$338.2	Plan	\$49.2	\$27.9	\$48.6	\$38.8	\$32.1	\$49.6	\$40.5	\$51.4	\$36.5	\$40.7	\$62.9	\$53.2	\$531.4
	\$326.5	Fcst/Act	\$34.4	\$35.7	\$18.9	\$25.8	\$40.6	\$59.8	\$81.1	\$30.3	\$36.5	\$40.7	\$62.9	\$53.2	\$519.8
PAC WW: Three locations	\$336.4	PY	\$52.4	\$31.5	\$32.5	\$54.4	\$33.1	\$51.9	\$17.2	\$63.5	\$45.3	\$47.6	\$33.3	\$47.3	\$509.9
	\$346.8	Plan	\$43.3	\$43.3	\$43.3	\$43.3	\$43.3	\$43.3	\$43.3	\$43.3	\$43.3	\$43.3	\$43.3	\$43.3	\$520.1
	\$381.0	Fcst/Act	\$28.1	\$49.2	\$35.2	\$43.4	\$28.4	\$63.6	\$70.1	\$63.0	\$122.5	\$43.3	\$43.3	\$43.3	\$633.5
Nelmar	\$241.7	PY	\$32.7	\$15.2	\$6.0	\$23.4	\$7.2	\$40.7	\$43.1	\$73.4	\$7.8	\$94.7	\$81.0	\$19.5	\$444.8
	\$451.2	Plan	\$37.8	\$37.8	\$37.8	\$75.0	\$75.0	\$75.0	\$75.0	\$37.8	\$37.8	\$37.8	\$37.8	\$37.8	\$602.4
	\$385.1	Fcst/Act	\$22.9	\$73.0	\$75.8	\$76.1	\$4.6	\$65.0	\$5.6	\$62.2	\$21.0	\$70.0	\$7.0	\$7.0	\$490.1
Polybond	\$302.4	PY	\$40.1	\$28.4	\$30.8	\$41.3	\$43.1	\$28.8	\$39.1	\$50.7	\$55.0	\$32.3	\$40.2	\$0.0	\$429.9
	\$286.6	Plan	\$35.8	\$35.8	\$35.8	\$35.8	\$35.8	\$35.8	\$35.8	\$35.8	\$35.8	\$35.8	\$35.8	\$35.8	\$429.9
	\$292.0	Fcst/Act	\$41.7	\$28.3	\$58.0	\$22.4	\$25.7	\$52.8	\$43.3	\$19.7	\$35.8	\$35.8	\$35.8	\$35.8	\$435.3
Mercury Plastics/PPA CA	\$250.3	PY	\$14.6	\$18.1	\$35.9	\$47.9	\$46.8	\$18.0	\$33.6	\$35.4	\$18.7	\$63.8	\$32.5	\$51.1	\$416.4
	\$277.6	Plan	\$34.7	\$34.7	\$34.7	\$34.7	\$34.7	\$34.7	\$34.7	\$34.7	\$34.7	\$34.7	\$34.7	\$34.7	\$416.4
	\$422.6	Fcst/Act	\$0.0	\$37.8	\$54.8	\$50.5	\$59.8	\$110.1	\$92.5	\$17.2	\$36.0	\$36.0	\$36.0	\$36.0	\$566.5
Classic Pkg	\$202.4	PY	\$50.3	\$12.7	\$12.7	\$25.4	\$25.4	\$25.3	\$25.7	\$24.9	\$50.9	\$50.9	\$36.9	\$25.4	\$366.4
	\$215.6	Plan	\$50.3	\$12.7	\$25.4	\$25.4	\$25.4	\$25.4	\$25.4	\$25.4	\$50.9	\$50.9	\$25.4	\$50.3	\$393.0
	\$112.0	Fcst/Act	\$24.9	\$0.0	\$25.4	\$49.4	\$12.3	\$0.0	\$0.0	\$0.0	\$0.0	\$38.1	\$38.1	\$38.1	\$226.4
Zims Bagging	\$197.4	PY	\$8.7	\$92.8	\$8.3	\$9.4	\$33.3	\$28.8	\$7.1	\$9.1	\$23.7	\$15.3	\$49.3	\$45.7	\$331.4
	\$221.0	Plan	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$331.4
	\$251.8	Fcst/Act	\$23.5	\$5.7	\$28.3	\$77.9	\$41.5	\$26.1	\$39.3	\$9.5	\$27.6	\$27.6	\$27.6	\$27.6	\$362.2
Bron Tapes-5 of 10 locations buying	\$224.4	PY	\$11.4	\$29.9	\$28.5	\$19.5	\$13.0	\$41.1	\$48.3	\$32.8	\$17.4	\$15.9	\$15.3	\$16.8	\$289.7
	\$259.3	Plan	\$32.4	\$32.4	\$32.4	\$32.4	\$32.4	\$32.4	\$32.4	\$32.4	\$32.4	\$32.4	\$32.4	\$32.4	\$389.0
	\$427.8	Fcst/Act	\$32.5	\$93.0	\$7.4	\$34.0	\$60.2	\$44.8	\$110.0	\$45.8	\$25.0	\$25.0	\$25.0	\$25.0	\$527.8
North Coast Plastics	\$142.0	PY	\$19.0	\$33.0	\$25.0	\$7.5	\$17.5	\$7.5	\$15.0	\$17.5	\$26.7	\$42.5	\$32.5	\$7.5	\$251.2
	\$142.0	Plan	\$19.0	\$33.0	\$25.0	\$7.5	\$17.5	\$7.5	\$15.0	\$17.5	\$26.7	\$42.5	\$32.5	\$7.5	\$251.2
	\$131.0	Fcst/Act	\$25.0	\$17.5	\$7.5	\$23.0	\$15.0	\$25.0	\$22.5	\$18.0	\$22.4	\$22.4	\$22.4	\$22.4	\$220.4
Poly Air-Only one location buying now	\$181.4	PY	\$32.8	\$24.1	\$22.8	\$35.5	\$28.9	\$16.6	\$10.3	\$10.3	\$14.0	\$14.0	\$14.0	\$10.3	\$233.9
	\$90.8	Plan	\$11.4	\$11.4	\$11.4	\$11.4	\$11.4	\$11.4	\$11.4	\$11.4	\$11.4	\$11.4	\$11.4	\$11.4	\$136.2
	\$101.3	Fcst/Act	\$7.0	\$14.0	\$14.0	\$16.0	\$7.0	\$14.0	\$19.0	\$10.2	\$11.4	\$11.4	\$11.4	\$11.4	\$146.7



Operational and Manufacturing

Operations Dashboard

	PRIORITY	UOM		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
Safety	Total Recordable Incident Rate (TRIR Rolling 12M)	#	PY	0	0	0	0	0	0	0	0.83	1.66	1.66	1.66	2.8	2.8
			Plan	2.3	2.3	2.3	2.3	2.3	2.3	2.3	1.66	0.83	0.83	0.83	0.83	0.83
			Actual	2.3	2.3	2.3	2.3	2.3	2.3	2.3	1.66	0	0	0	0	0
	DART Score	#	PY	0	0	0	0	0	0	0	0	0	0	0	0	0
			Plan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
			Actual	0	0	0	0	0	0	0	0	0	0	0	0	0
	Step Completion %	%	PY	81%	80%	94%	96%	93%	94%	93%	93%	92%	93%	92%	94%	91%
			Plan	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%
			Actual	93%	94%	71%	68%	92%	87%	90%	92%					86%
	Landfill Diversion %	%	PY	34%	45%	31%	32%	33%	41%	28%	38%	31%	26%	21%	40%	33%
			Plan	50%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
			Actual	27%	42%	34%	26%	51%	12%	36%	40.8					539%
Quality	Customer EQDs	#	Reference													
			Actual	23	13	7	20	4	13	8	9					97
	Percentage of EQDs/Lines shipped	#	PY	0.28%	0.22%	0.31%	0.30%	0.18%	0.28%	0.25%	0.28%	0.47%	0.43%	0.30%	0.40%	0.31%
			Plan	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
			Actual	0.63%	0.39%	0.22%	0.79%	0.19%	0.48%	0.26%	0.30%					
	Cost of Poor Quality (COPQ)	\$	PY	\$40.82	\$51.77	\$42.99	\$46.85	\$35.23	\$33.49	\$47.88	\$36.13	\$48.33	\$44.43	\$35.43	\$32.02	\$495.37
			Plan	\$38.77	\$49.18	\$40.84	\$44.51	\$33.47	\$31.82	\$45.49	\$34.33	\$45.91	\$42.21	\$33.66	\$30.42	\$470.60
			Actual	\$26.13	\$37.55	\$39.92	\$42.05	\$28.70	\$13.02	\$13.58	\$24.25	\$0.00	\$0.00	\$0.00	\$0.00	225.20
	Rework	\$000's	Plan	\$9.32	\$7.45	\$7.45	\$9.32	\$7.45	\$7.45	\$9.32	\$7.45	\$7.45	\$9.32	\$7.45	\$7.45	\$96.90
			Actual	\$2.85	\$3.02	\$2.24	\$0.24	\$0.95	\$0.85	\$0.85	No report ERP					0
	Material Scrap	\$000's	Plan	\$19.42	\$14.76	\$14.76	\$18.45	\$14.76	\$14.76	\$18.45	\$14.76	\$14.76	\$19.42	\$14.76	\$14.76	\$193.85
			Actual	\$9.36	\$13.46	\$22.53	\$17.50	\$3.20	\$4.24	\$4.24	No report ERP					74.54
	Other Credits	\$000's	Plan	\$0.58	\$0.46	\$0.46	\$0.58	\$0.5	\$0.5	\$0.6	\$0.5	\$0.5	\$0.6	\$0.5	\$0.5	\$0.6
			Actual	\$0.13	\$0.31	\$1.64	\$0.55	\$0.6	\$0.9	\$0.2	\$0.2					\$4.43
	CS Credits Issued(CSR)	\$	Plan	\$7.08	\$5.66	\$5.66	\$7.08	\$5.66	\$5.66	\$7.08	\$5.66	\$5.66	\$7.08	\$5.66	\$5.66	\$73.61
			Actual	\$3.47	\$2.37	\$4.85	\$12.14	\$12.4	\$3.1	\$3.1	\$0.7					\$0.00
	QC Return Credits Issued(Quality)	\$	Plan	\$15.09	\$12.07	\$12.07	\$15.09	\$12.07	\$12.07	\$15.09	\$12.07	\$12.07	\$15.09	\$12.07	\$12.07	\$156.93
			Actual	\$10.32	\$18.38	\$8.66	\$11.62	\$11.60	\$3.90	\$5.19	\$5.19					\$0.00

Operations Dashboard Cont.

		PRIORITY	UOM		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	
Delivery	Shipments Specialty Tapes (Consolidated)	PY	\$	\$3,320	\$3,081	\$3,255	\$4,065	\$3,154	\$3,218	\$3,710	\$3,460	\$3,503	\$4,961	\$3,119	\$2,897	\$41,743		
		Plan		\$3,290	\$3,222	\$3,365	\$4,321	\$3,289	\$3,487	\$3,774	\$3,605	\$3,627	\$4,643	\$3,452	\$3,293	\$43,368		
		Actual		\$3,387	\$3,143	\$3,365	\$3,231	\$2,641	\$3,248	\$3,526	\$2,903						\$25,444	
	Production Efficiency	PY	%	87.0%	89.9%	89.8%	90.6%	91.1%	89.6%	89.2%	89.0%	90.0%	92.0%	91.2%	87.3%	89.7%		
Cost		Plan	%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	91.0%	91.0%	91.0%	91.0%	91.0%	91.0%	91.0%	91.0%	
		Actual		90.2%	90.1%	90.5%	89.0%	90.0%	91.0%	91.2%	No report ERP							
OTDIF	PY	%	98.8%	98.8%	99.0%	98.5%	98.8%	98.2%	95.3%	98.3%	97.6%	98.7%	98.1%	98.3%	98.2%			
	Plan		98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%		
	Actual		99.1%	98.6%	98.2%	95.3%	95.6%	94.5%	96.7%	85.0%								
Cost	Cost Savings(w/o SmartVentures)	PY	\$	\$49,556	\$44,479	\$35,811	\$25,633	\$57,198	\$72,371	\$56,044	\$49,032	\$52,425	\$51,570	\$44,949	\$43,444	\$582,512		
		Plan		\$51,079	\$53,239	\$44,233	\$44,606	\$30,242	\$30,242	\$38,773	\$34,232	\$23,058	\$21,512	\$27,506	\$27,506	\$426,230		
		F1 Plan		\$51,079	\$53,239	\$44,233	\$42,485	\$13,225	\$20,597	\$30,714	\$25,470	\$29,980	\$26,921	\$29,998	\$23,547	\$391,489		
		Actual		\$51,469	\$50,772	\$39,533	\$43,255	\$14,907	\$26,983	\$31,333	37827						\$296,079	
	Consolidated Gross Inventory Dollars	PY	\$000's	\$6,460	\$6,540	\$6,458	\$6,235	\$6,079	\$5,932	\$5,942	\$5,920	\$5,649	\$5,869	\$5,796	\$6,198	\$6,198		
		Plan		\$6,176	\$6,253	\$6,174	\$5,961	\$5,811	\$5,671	\$5,680	\$5,659	\$5,401	\$5,611	\$5,541	\$5,925	\$5,822		
		Actual		\$6,377	\$6,179	\$5,802	\$6,011	\$5,949	\$5,769	\$5,726							\$0	
	Reported EBITDA	PY	\$000's	\$714	\$836	\$1,048	\$1,168	\$886	\$996	-\$1,351	\$784	\$600	\$1,407	\$779	\$319	\$8,186		
		Plan		\$424	\$583	\$697	\$982	\$594	\$675	\$699	\$854	\$849	\$1,205	\$762	\$475	\$8,799		
		Actual		\$638	\$734	\$724	\$625	\$642	\$786	\$699	\$608						\$5,456	
HC	Total Production Headcount	PY	#	78	78	78	78	78	78	78	78	78	78	78	78	78		
		Plan		78	78	78	78	77	77	76	76	76	76	76	76	76		
		Actual		75	76	75	71	71	71	70	70						76	

Financial Review

Duraco Summary P&L – August 2020

\$'000	MTD		Var (Bud MTD)		PY MTD		Var (PY)		RFC MTD		Var (PY)		YTD		Var (Bud YTD)		PY YTD		Var (PY YTD)		RFC YTD		Var (PY YTD)	
	Act	Bud	\$	%	Act	\$	%	Act	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Rfc	\$	%	
Gross Revenue	\$ 2,976	\$ 3,614	\$ (638)	(17.7%)	\$ 3,464	\$ (488)	(14.1%)	\$ 2,652	\$ 323	12.2%	\$ 25,526	\$ 28,420	\$ (2,893)	(10.2%)	\$ 27,845	\$ (2,319)	(8.3%)	\$ 24,856	\$ 671	2.7%				
Net Revenue	\$ 2,902	\$ 3,605	\$ (703)	(19.5%)	\$ 3,463	\$ (561)	(16.2%)	\$ 2,646	\$ (2,646)	(100.0%)	\$ 25,416	\$ 28,343	\$ (2,927)	(10.3%)	\$ 27,744	\$ (2,328)	(8.4%)	\$ 24,811	\$ 604	2.4%				
Material	969	1,161	192	16.6%	1,343	374	27.9%	896	896	100.0%	8,312	9,204	892	9.7%	9,743	(1,431)	(14.7%)	8,119	193	2.4%				
DM %	33.4%	32.2%																						
Labor	358	379	21	5.5%	382	24	6.2%	290	290	100.0%	3,086	3,335	249	7.5%	3,176	(90)	(2.8%)	3,000	86	2.9%				
DL %	12.3%	10.5%																						
Other COGS	342	454	112	24.6%	417	74	17.9%	391	390	99.9%	3,603	3,933	330	8.4%	3,563	39	1.1%	3,656	(55)	(1.5%)				
Total COGS	1,669	1,994	325	16.3%	2,142	473	22.1%	1,577	1,576	100.0%	15,000	16,472	1,472	8.9%	16,482	(1,481)	(9.0%)	14,776	224	1.5%				
Gross Margin	1,233	1,611	(378)	(23.4%)	1,321	(88)	(6.7%)	1,070	(1,070)	(100.0%)	10,415	11,871	(1,455)	(12.3%)	11,262	(847)	(7.5%)	10,035	380	3.8%				
Gross Margin %	42.5%	44.7%																						
R&D	8	30	21	72.6%	27	(19)	(69.8%)	16	(16)	(95.5%)	104	274	170	62.0%	204	(100)	(49.0%)	119	(15)	(12.3%)				
Sales & Marketing	320	397	77	19.4%	319	1	0.2%	322	(322)	(99.9%)	2,446	3,285	839	25.5%	2,673	(227)	(8.5%)	2,470	(23)	(0.9%)				
Administrative	297	330	33	10.0%	191	106	55.4%	253	(253)	(100.0%)	2,408	2,807	398	14.2%	3,304	(896)	(27.1%)	2,343	65	2.8%				
Other Opex	–	–	–	0	–	–	0	(16)	16	(100.0%)	(1)	–	1	–	(1)	N/A		(17)	16	(92.2%)				
Total Opex	625	756	131	17.4%	537	88	16.4%	576	(576)	(100.0%)	4,957	6,366	1,408	22.1%	6,182	(1,224)	(19.8%)	4,914	44	0.9%				
EBITDA	608	854	(246)	(28.8%)	784	(176)	(22.5%)	493	(494)	(100.1%)	5,458	5,505	(47)	(0.9%)	5,081	377	7.4%	5,121	336	6.6%				
EBITDA %	21.0%	23.7%																						
Bank allowable EBITDA add-backs	77	–	77	0	224	(147)		7	(7)		275	87	188	216.0%	1,141	(866)	(75.9%)	174	101	58.4%				
Bank EBITDA	685	854	(169)	(19.8%)	1,008	(323)	(32.1%)	501	(501)	(100.0%)	5,733	5,592	141	2.5%	6,221	(488)	(0)	5,295	438	0				
(Standalone Costs)	(118)	–	(118)		(201)	83	0	(59)	58	(0)	(998)	(58)	(940)	1622.1%	(862)	(136)	0	(889)	(109)	0				
PF Adjusted EBITDA	567	854	(288)	(33.7%)	807	(240)	(29.8%)	442	(442)	(100.1%)	4,735	5,534	(799)	(14.4%)	5,359	(624)	(11.6%)	4,406	328	7.4%				
Indicative %	19.5%	23.7%																						
Net Income (Loss)	\$ (464)	\$ (127)	\$ (336)	264.1%	\$ (595)	\$ 132	22.1%	\$ (483)	\$ 485	100.5%	\$ (3,912)	\$ (3,207)	\$ (705)	22.0%	\$ 1,385	\$ (5,297)	382.5%	\$ (4,011)	\$ 99	2.5%				

\$'000	MTD		Var (Bud MTD)		PY MTD		Var (PY)		PY MTD		Var (PY)		YTD		Var (Bud YTD)		PY YTD		Var (PY YTD)		PY YTD		Var (PY YTD)	
	Act	Fct	\$	%	Act	\$	%	Act	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	\$	%	
Opex Overview:																								
Payroll (Payroll, OT, SS & Taxes, Temp Labor, Share Options)	\$ 275	\$ 339	64	19.0%	\$ 252	\$ 23	9.0%	\$ 311	\$ (310)	(99.9%)	\$ 2,234	\$ 2,859	\$ 625	21.9%	\$ 1,886	\$ 348	18.5%	\$ 2,266	\$ (32)	(1.4%)				
Benefits (Medical, Dental, Life, AD&D & 401K)	54	56	2	3.3%	53	1	2.3%	42	(42)	(99.9%)	377	442	\$ 66	14.9%	310	66	21.3%	359	(359)	(100.0%)				
Bonus	65	86	21	24.4%	52	13	25.4%	–	0	0	581	688	\$ 107	15.5%	311	270	86.8%	516	(516)	(100.0%)				
Marketing	56	79	24	29.9%	80	(24)	(30.5%)	66	(66)	(99.5%)	411	635	\$ 224	35.3%	598	(187)	(31.3%)	422	(421)	(99.9%)				
Commissions	–	5	5	100.0%	8	(8)	(100.0%)	5	(4)	(81.8%)	36	36	\$ 0	0.4%	74	(38)	(51.4%)	41	(41)	(100.0%)				
Travel and Entertainment	4	28	24	85.6%	11	(7)	(64.9%)	20	(20)	(95.8%)	61	248	\$ 186	75.3%	103	(42)	(40.7%)	27	(26)	(97.2%)				
Rent and Facilities	–	11	11	100.0%	3	(3)	(100.0%)	11	(10)	(90.8%)	5	68	\$ 63	92.3%	135	(130)	(96.1%)	95	(94)	(99.0%)				
Insurance	13	14	1	7.4%	14	(0)	(3.1%)	14	(14)	(99.5%)	120	122	\$ 2	1.9%	55	65	117.4%	122	(122)	(100.0%)				
Professional Fees	21	13	(8)	(60.0%)	4	17	384.6%	13	(14)	(104.5%)	238	204	\$ 34	(16.9%)	37	202	551.6%	231	(231)	(100.1%)				
Utilities, Repairs, Maint. & Security	7	3	(4)	(158.3%)	0	7	8288.8%	3	(4)	(162.0%)	20	22	\$ 2	8.7%	31	(11)	(34.1%)	11	(11)	(99.2%)				
Office Supplies	20	1	(19)	#####	5	15	313.3%	1	(19)	(1807.3%)	48	9	\$ (39)	(422.1%)	45	3	6.0%	26	(31)	(115.9%)				
IT	42	63	22	34.1%	18	24	137.2%	48	(48)	(99.3%)	315	543	\$ 228	42.0%	209	106	50.8%	311	(311)	(99.9%)				
Bad Debt	6	3	(3)	(80.3%)	(9)	15	(166.9%)	3	(4)	(123.7%)	31	30	\$ 1	(3.5%)	16	14	89.6%	37	(37)	(100.1%)				
Real Estate Taxes	13	13	0	0.0%	13	1	4.4%	13	(13)	(100.0%)	114	114	\$ 0	0.0%	110	5	4.4%	114	(114)	(100.0%)				
Other Expenses	49	41	(9)	(21.2%)	33	16	47.7%	41	(41)	(100.5%)	367	346	\$ (21)	(6.1%)	2,261	(1,894)	(83.8%)	351	(351)	(100.0%)				
Total Opex	\$ 625	\$ 756	131	17.4%	\$ 537	\$ 88	16.4%	\$ 592	\$ (592)	(100.0%)	\$ 4,957	\$ 6,366	\$ 1,408	22.1%	\$ 6,182	\$ (1,224)	(19.8%)	\$ 4,930	\$ (2,697)	(54.7%)				

Management Discussion:

COGS

- Material % of revenue is higher than plan (higher Transit Packaging and lower POP) but is 50 bps better than RFC. PY DM had \$219k FMV of Inventory write off which inflated DM and reduces all margin categories.
- DL is in line with plan in aggregate and higher than RFC due to higher volume. OT at constrained work centers continued in July and contributed to the higher DL vs PL.
- Other COGS is well below plan and RFC due to cost savings (furloughs, travel, and overhead cost reductions).

OPEX

- OPEX is favorable to plan due deferred hiring of open positions, two open commercial positions, and cost reductions
- OPEX is unfavorable to RFC due largely to increased bonus expenses on higher PF EBITDA partially offset by lower headcount. *The lower headcount was adjusted in PF EBITDA.

ADD-BACKS

- Add-backs relate to one off costs related to the ERP go-live, Covid 19 sick pay, board expenses, and bank fees.

Pro Forma Adjusted EBITDA

- PF Adj EBITDA further reduces Bank EBITDA for all incomplete plan headcount additions and IT expenses.

Infinity Summary P&L – August 2020

\$'000	MTD		Var (Bud MTD)		PY MTD		Var (PY)		RFC MTD		Var (PY)		YTD		Var (Bud YTD)		PY YTD		Var (PY YTD)		RFC YTD		Var (PY YTD)				
	Act	Bud	\$	%	Act	\$	%	Rfc	\$	%	Act	Bud	\$	%	Act	\$	%	Rfc	\$	%	Act	\$	%	Rfc	\$	%	
Gross Revenue																											
Discounts	\$ 1,003	\$ 872	\$ 132	15.1%	\$ 836	\$ 168	20.1%	\$ 1,100	\$ (100.0%)	(94.9%)	\$ 7,913	\$ 6,515	\$ 1,398	21.5%	\$ 6,242	\$ 1,671	26.8%	\$ 7,610	\$ 303	4.0%							
Returns	(4)	(4)	1	(19.0%)	(3)	(0)	1.7%	(4)	4	(94.9%)	(54)	(32)			(28)	(26)	91.7%	(41)	(13)	30.6%							
Rebates	(8)	(13)	5	(41.6%)	(8)	0	(0.9%)	(11)	11	(96.3%)	(62)	(97)			(94)	32	(34.1%)	(73)	11	(15.1%)							
Other	–	–	–	0	–	–	0	–	–	0	–	–			–	–	N/A	–	–	N/A							
Net Revenue	992	854	138	16.2%	834	158	18.9%	1,085	(1,085)	(100.0%)	7,797	6,386	1,411	22.1%	6,194	1,603	25.9%	7,496	301	4.0%							
Material	487	420	(67)	(15.9%)	412	(74)	(18.0%)	550	550	100.0%	3,909	3,061	(848)	(27.7%)	2,967	942	31.7%	3,782	127	3.4%							
DM %	49.0%	49.2%			49.4%			50.7%			50.1%	47.9%			47.9%			50.5%			(0)						
Labor	72	74	2	2.8%	73	0	0.6%	93	92	100.0%	652	555	(97)	(17.5%)	587	64	11.0%	669	(17)	(2.5%)							
DL %	7.3%	8.7%			8.7%			8.5%			8.4%	8.7%			9.5%			8.9%	(0)								
Other COGS	156	158	2	1.2%	164	9	5.3%	150	150	100.0%	1,172	1,177	5	0.5%	1,204	(32)	(2.6%)	1,141	31	2.8%							
Total COGS	714	652	(63)	(9.6%)	649	(65)	(10.0%)	793	793	100.0%	5,733	4,794	(939)	(19.6%)	4,758	974	20.5%	5,591	142	2.5%							
Gross Margin	278	202	75	37.3%	185	93	50.0%	292	(292)	(99.9%)	2,064	1,592	472	29.7%	1,436	629	43.8%	1,905	159	8.4%							
Gross Margin %	28.0%	23.7%			22.2%			27.0%			26.5%	24.9%			23.2%			25.4%		1.1%							
R&D	–	–	–	0	–	–	0	–	–	0	–	–			–	–	N/A	–	–	N/A							
Sales & Marketing	49	39	(10)	(25.6%)	30	19	64.0%	53	(53)	(100.5%)	397	263	(134)	(51.0%)	231	167	72.2%	368	29	7.8%							
Administrative	101	112	11	9.9%	101	(0)	(0.4%)	107	(107)	(99.9%)	850	877	26	3.0%	788	63	7.9%	856	(5)	(0.6%)							
Other Opex	–	–	–	0	–	–	0	–	–	0	–	–			–	–	N/A	–	–	0.0%							
Total Opex	150	151	1	0.8%	131	19	14.2%	160	(160)	(100.0%)	1,326	1,140	(187)	(16.4%)	1,018	308	30.2%	1,303	23	1.8%							
EBITDA	128	52	77	148.0%	54	74	136.5%	132	(131)	(98.9%)	738	453	286	63.1%	417	321	76.9%	602	136	22.6%							
EBITDA %	12.9%	6.1%			6.5%			12.2%			9.5%	7.1%			6.7%			8.0%		1.4%							
Bank allowable EBITDA add-backs	14	12	2	17.7%	–	14		12	(12)		216	72	144	200.2%	–	216	N/A	191	25	13.0%							
Bank EBITDA	142	64	79	123.5%	54	88	162.5%	144	(143)	(99.1%)	954	525	430	81.9%	417	537	1	793	161	0							
14.4%	7.5%				6.5%			13.3%			12.2%				6.7%			10.6%		1.7%							
(Standalone Costs)	–	–	–	0	–	–	0	–	–	0	–	–	–	0.0%	–	–	0.0%	–	0.0%	–	0.0%	–	0.0%	–	0.0%		
PF Adjusted EBITDA	142	64	79	123.5%	54	88	162.5%	144	(143)	(99.1%)	954	525	430	81.9%	417	537	128.7%	793	161	20.3%							
Indicative %	14.4%	7.5%			6.5%			13.3%			12.2%				6.7%			10.6%		1.7%							
Net Income (Loss)	\$ 122	\$ 30	\$ 91	301.7%	\$ 38	\$ 84	(218.9%)	\$ 91	\$ (88)	96.7%	\$ 614	\$ 262	\$ 351	134.1%	\$ 284	\$ 330	(116.3%)	\$ 418	\$ 196	(46.8%)							

\$'000	MTD		Var (Bud MTD)		PY MTD		Var (PY)		PY MTD		Var (PY)		YTD		Var (Bud YTD)		PY YTD		Var (PY YTD)		RFC YTD		Var (PY YTD)		
	Act	Fst	\$	%	Act	\$	%	Act	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Rfc	\$	%		
Opex Overview:																									
Payroll (Payroll, OT, SS & Taxes, Temp Labor, Share Options)	\$ 33	\$ 42	9	22.1%	\$ 55	\$ (22)	(40.6%)	\$ 36	\$ (36)	(99.4%)	\$ 338	\$ 338	\$ (0)	(0.1%)	\$ 386	\$ (48)	(12.5%)	\$ 337	\$ 1	0.3%					
Benefits (Medical, Dental, Life, AD&D & 401K)	11	13	1	11.5%	11	0	3.1%	13	(13)	(99.1%)	94	104	10	9.3%	111	(17)	(15.2%)	98	(4)	(3.7%)					
Bonus	–	–	–	N/A	–	–	0	–	#VALUE!	0	–	–	S	–	–	–	–	N/A	–	–	N/A				
Marketing	–	–	–	N/A	4	(4)	(100.0%)	–	#VALUE!	0	–	–	S	–	–	10	(10)	(100.0%)	–	–	N/A				
Commissions	29	16	(14)	(88.2%)	5	24	485.9%	32	(33)	(102.8%)	212	95	\$ (117)	(122.6%)	69	143	205.7%	183	30	16.2%					
Travel and Entertainment	–	3	3	100.0%	1	(1)	(100.0%)	1	(0)	(32.4%)	5	15	\$ 9	63.1%	138	(132)	(96.1%)	167	(162)	(96.8%)					
Rent and Facilities	23	20	(3)	(14.2%)	17	5	31.4%	23	(23)	(100.6%)	167	153	\$ (14)	(9.2%)	11	156	1371.2%	10	157	1524.2%					
Insurance	2	2	–	0.0%	1	1	45.4%	2	(2)	(100.0%)	10	13	\$ 3	21.6%	7	4	56.3%	10	–	0.0%					
Professional Fees	37	39	2	5.3%	20	18	91.3%	37	(37)	(99.9%)	277	289	\$ 12	4.1%	135	142	104.7%	275	1	0.5%					
Utilities, Repairs, Maint. & Security	1	1	0	31.7%	0	0	17.8%	1	(0)	(60.2%)	5	6	\$ 1	13.5%	5	0	3.7%	5	(0)	(8.5%)					
Office Supplies	6	9	2	27.0%	7	(0)	(5.5%)	8	(7)	(96.4%)	59	66	\$ 7	10.8%	53	5	10.2%	62	(4)	(5.9%)					
IT	5	6	1	20.6%	6	(1)	(15.0%)	8	(7)	(97.3%)	47	49	\$ 2	4.5%	48	(1)	(2.5%)	52	(5)	(9.9%)					
Bad Debt	–	–	–	N/A	–	–	0	–	#VALUE!	0	–	–	S	–	–	–	–	N/A	–	–	N/A				
Real Estate Taxes	–	–	–	N/A	3	(3)	(100.0%)	0	#VALUE!	0	6	6	\$ 0	0.0%	34	(28)	(81.6%)	6	–	0.0%					
Other Expenses	3	0	(3)	(236.2%)	1	1	111.3%	0	(24)	(22076.4%)	105	6	\$ (99)	(1625.4%)	10	95	928.9%	96	9	9.4%					
Total Opex	\$ 150	\$ 151	1	0.8%	\$ 131	\$ 19	14.2%	\$ 160	\$ (100.0%)	\$ 1,326	\$ 1,140	\$ (187)	(16.4%)	\$ 1,018	\$ 308	30.2%	\$ 1,303	\$ 23	1.8%						

Management Discussion:

COGS

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Consolidated Summary P&L – August 2020

\$'000	MTD				Var (Bud)		Var (Bud MTD)		PY MTD		Var (PY)		RFC MTD		Var (PY)		YTD		Var (Bud YTD)		PY YTD		Var (PY YTD)		RFC YTD		Var (PY YTD)		
	Act	Bud	\$	%	Bud	\$	%	Act	\$	%	Act	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	\$	%	Act	\$	%
Gross Revenue	\$ 3,979	\$ 4,486	\$ (506)	(11.3%)	\$ 4,486	\$ (506)	(11.3%)	\$ 4,300	\$ 320	(7.5%)	\$ 3,502	\$ 477	(13.6%)	\$ 33,426	\$ 34,935	\$ (1,509)	(4.3%)	\$ 34,088	\$ (662)	(1.9%)	\$ 32,466	\$ 30,960	(5.3%)	\$ 32,466	\$ 30,960	(5.3%)			
Net Revenue	3,894	4,459	(565)	(12.7%)	4,459	(565)	(12.7%)	4,297	(403)	(9.4%)	3,479	416	11.9%	33,199	34,728	(1,529)	(4.4%)	33,938	(739)	(2.2%)	32,308	891	2.8%						
Material	1,455	1,581	126	8.0%	1,581	126	8.0%	1,755	300	17.1%	1,321	134	10.2%	12,207	12,266	59	0.5%	12,710	(503)	(4.0%)	11,901	306	2.6%						
DM %	37.4%	35.5%	(0)	(5.4%)	35.5%																								
Labor	430	453	23	5.1%	453	23	5.1%	455	24	5.3%	375	55	14.8%	3,738	3,890	152	3.9%	3,763	(25)	(0.7%)	3,668	69	1.9%						
DL %	11.1%	10.2%	(0)	(8.7%)	10.2%																								
Other COGS	498	611	114	18.6%	611	114	18.6%	581	83	14.3%	541	(43)	(7.9%)	4,775	5,110	335	6.6%	4,767	7	0.2%	4,798	(24)	(0.5%)						
Total COGS	2,384	2,646	262	9.9%	2,646	262	9.9%	2,791	407	14.6%	2,237	147	6.6%	20,719	21,265	546	2.6%	21,240	(521)	(2.5%)	20,367	352	1.7%						
Gross Margin	1,511	1,813	(302)	(16.7%)	1,813	(302)	(16.7%)	1,507	4	0.3%	1,242	268	21.6%	12,480	13,463	(983)	(7.3%)	12,698	(218)	(1.7%)	11,940	539	4.5%						
Gross Margin %	38.8%	40.7%																											
R&D	8	30	21	72.6%	30	21	72.6%	27	(19)	(69.8%)	16	(8)	(50.1%)	104	274	170	62.0%	204	(100)	(49.0%)	119	(15)	(12.3%)						
Sales & Marketing	369	436	67	15.4%	436	67	15.4%	349	20	5.7%	357	11	3.2%	2,843	3,548	704	19.9%	2,904	(60)	(2.1%)	2,838	6	0.2%						
Administrative	397	442	44	10.0%	442	44	10.0%	292	105	36.1%	364	34	9.2%	3,259	3,683	425	11.5%	4,092	(833)	(20.4%)	3,199	60	1.9%						
Other Opex	—	—	0	—	—	0	—	—	0	—	0	—	—	77	—	(77)	—	—	77	N/A	61	16	26.1%						
Total Opex	774	907	133	14.6%	907	133	14.6%	668	107	15.9%	721	53	7.3%	6,284	7,505	1,222	16.3%	7,200	(916)	(12.7%)	6,217	67	1.1%						
EBITDA	736	906	(170)	(18.7%)	906	(170)	(18.7%)	839	(102)	(12.2%)	521	216	41.4%	6,196	5,958	238	4.0%	5,498	698	12.7%	5,723	472	8.3%						
EBITDA %	18.9%	20.3%																											
Bank allowable EBITDA add-backs	91	12	79	657.9%	12	79	657.9%	224	(133)	—	19	72	491	159	332	208.8%	1,141	(649)	(56.9%)	365	126	34.6%							
Bank EBITDA	827	918	(91)	(9.9%)	918	(91)	(9.9%)	1,062	(235)	(22.1%)	540	287	53.2%	6,687	6,117	570	9.3%	6,638	49	0	6,088	599	0						
Bank EBITDA %	21.2%	20.6%																											
(Standalone Costs)	(118)	—	(118)	(0)	—	(118)	N/A	(201)	83	0	(59)	(60)	(0)	(998)	(58)	(940)	1622.1%	(862)	(136)	0	(889)	(109)	0						
PF Adjusted EBITDA	709	918	(209)	-22.8%	918	(209)	(22.8%)	861	(152)	-17.7%	481	228	47.3%	5,689	6,059	(370)	(6.1%)	5,776	(87)	(1.5%)	5,200	489	9.4%						
Indicative %	18.2%	20.6%																											
Net Income (Loss)	\$ (342)	\$ (97)	\$ (245)	252.4%	\$ (97)	\$ (245)	252.4%	\$ (557)	\$ 215	38.6%	\$ (487)	\$ 145	29.8%	\$ (3,299)	\$ (2,945)	\$ (354)	12.0%	\$ 1,669	\$ (4,968)	297.7%	\$ (3,593)	\$ 295	8.2%						

Management Discussion:

COGS

- Material costs are higher than plan due to higher costs at Duraco (mix) and Infinity being a higher proportion of the overall business.
 - Direct Labor is higher than plan due to timing of volume at Duraco and overtime at constrained work centers.

OPEX

- OPEX is favorable to plan due largely to timing of headcount additions, other cost savings, and IT expenses, partially offset by and higher commission costs at Infinity as a result of higher revenue

ADD-BACKS

- Add-backs relate to ERP related one-off costs, one off IT expenses, Covid 19 sick pay, the Infinity Consultant and the LBC bank admin fees.

Pro Forma Adjusted EBITDA

- PF Adj EBITDA further reduces Bank EBITDA for all incomplete plan headcount additions and IT expenses.



Consolidated Balance Sheet

\$'000	Aug-20		Aug-20		Variance		Aug-20		Variance		PY		Variance	
	Act	Bud	\$	%	Rfc	\$	%	Act	\$	%	Act	\$	%	
Current Assets														
Cash and cash equivalents	\$ 1,763	\$ 26	\$ 1,737	6742.7%	\$ 1,236	\$ 527	42.7%	\$ 2,039	\$ (276)	(13.5%)				
Short term investments	—	—	—	0	—	—	0	—	—	0				
Accounts receivable, gross	7,792	7,382	410	5.6%	5,887	1,905	32.4%	6,908	884	12.8%				
Accounts receivable, reserves	(318)	(130)	(188)	145.3%	(152)	(166)	109.7%	(96)	(222)	231.3%				
Accounts receivable, net	7,474	7,253	222	3.1%	5,735	1,739	30.3%	6,812	662	9.7%				
Inventory, gross	7,442	7,469	(27)	(0.4%)	7,175	267	3.7%	7,781	(339)	(4.4%)				
Inventory, reserves	(988)	(973)	(16)	1.6%	(1,041)	53	(5.1%)	(1,172)	184	(15.7%)				
Inventory, net	6,454	6,496	(42)	(0.7%)	6,134	319	5.2%	6,609	(155)	(2.3%)				
Prepaid expenses and other current assets	532	436	95	21.8%	595	(64)	(10.7%)	645	(113)	(17.6%)				
Current portion of deferred taxes	—	—	—	0	—	—	0	—	—	0				
Other current assets	—	—	—	0	—	—	0	—	—	0				
Total Current Assets	16,222	14,211	2,012	14.2%	13,700	2,522	18.4%	16,104	118	0.7%				
Non-Current Assets														
Property, plant & equipment, gross	15,160	15,391	(231)	(1.5%)	15,336	(176)	(1.1%)	14,884	276	1.9%				
Accumulated depreciation	(2,773)	(2,789)	15	(0.6%)	(2,784)	11	(0.4%)	(2,178)	(595)	27.3%				
Property, plant & equipment, net	12,386	12,602	(216)	(1.7%)	12,552	(166)	(1.3%)	12,705	(319)	(2.5%)				
Identifiable intangible assets, gross	—	—	—	0	—	—	0	—	—	0				
Accumulated amortization	(6,705)	(6,705)	—	0.0%	(6,705)	—	0.0%	(1,280)	(5,425)	423.8%				
Identifiable intangible assets, net	55,480	55,371	109	0.2%	55,460	21	0.0%	56,890	(1,410)	(2.5%)				
Deferred financing cost	—	—	—	0	—	—	0	—	—	0				
Other non-current assets	5,234	—	5,234	0	5,234	—	0.0%	—	5,234	0				
Total Non-Current Assets	73,101	67,973	5,128	7.5%	73,246	(145)	(0.2%)	69,595	3,506	5.0%				
Total Assets	\$ 89,323	\$ 82,184	\$ 7,139	8.7%	\$ 86,947	\$ 2,377	2.7%	\$ 85,700	\$ 3,624	4.2%				
Current Liabilities														
Current portion of long-term debt	1,100	\$ 1,589	\$ (489)	(30.8%)	\$ 1,100	\$ —	0.0%	\$ 1,060	\$ 40	3.8%				
Notes Payable	3,202	547	2,655	N/A	3,195	7	0.2%	612	2,590	423.2%				
Accounts payable	4,081	2,457	1,624	66.1%	2,490	1,591	63.9%	2,703	1,378	51.0%				
Accrued liabilities	3,087	2,104	983	46.7%	2,604	484	18.6%	1,728	1,359	78.6%				
Accrued compensation	—	—	—	0	—	—	0	—	—	0				
Income taxes payable	0	(538)	539	(100.0%)	0	—	0.0%	117	(117)	(99.9%)				
Other current liabilities	263	277	(14)	(5.1%)	263	—	0.0%	(233)	496	(213.2%)				
Total Current Liabilities	11,733	6,435	5,298	82.3%	9,651	2,082	21.6%	5,988	5,746	96.0%				
Long-term liabilities														
Long-term debt less current maturities	41,022	39,120	1,901	4.9%	41,022	—	0.0%	41,414	(392)	(0.9%)				
Deferred income taxes	—	—	—	0	—	—	0	—	—	0				
Other non-current liabilities	961	1,001	(40)	(4.0%)	961	—	0.0%	(892)	1,852	(207.8%)				
Total Long-Term Liabilities	41,983	40,121	1,861	4.6%	41,983	—	0.0%	40,522	1,460	3.6%				
Total Liabilities	53,716	46,556	7,160	15.4%	51,634	2,082	4.0%	46,510	7,206	15.5%				
Shareholders' Equity														
Common stock	43,501	43,501	—	0.0%	43,501	—	0.0%	39,392	4,109	10.4%				
Capital in excess of stated value	—	—	—	0	—	—	0	—	—	0				
Retained earnings	(7,894)	(7,874)	(20)	0.3%	(8,189)	295	(3.6%)	(1,687)	(6,207)	368.0%				
Accumulated other comprehensive income	—	—	—	0	—	—	0	1,821	(1,821)	(100.0%)				
Other equity transactions	—	—	—	0	—	—	0	(337)	337	(100.0%)				
Total Shareholders' Equity	35,607	35,628	(20)	(0.1%)	35,313	295	0.8%	39,190	(3,582)	(9.1%)				
Total Liabilities and Shareholders' Equity	\$ 89,323	\$ 82,184	\$ 7,139	8.7%	\$ 86,947	\$ 2,377	2.7%	\$ 85,700	\$ 3,624	4.2%				

Management Discussion:

- Cash in the month is higher than RFC due to improving revenue and significantly higher A/P (see below).
- A/R is higher than plan and RFC due to timing of volume.
- A/P is artificially high in the month due to invoices that were missing as a result of the change in location of invoice processing (vendors sending invoices to the wrong location). A/P is also higher due to increasing inventory to support increasing volume.
- Depreciation and Amortization are both higher than plan due to some last-minute valuation changes with purchase accounting that were not reflected in the plan.

Consolidated Cashflow Statement

\$'000	MTD		Variance		PY-MTD		Variance		RFC-MTD		Variance		YTD		Variance		PY YTD		Variance		RFC YTD		Variance		
	Act	Bud	\$	%	Act	\$	%	Rfc	\$	%	Act	\$	%	Rfc	\$	%	Act	\$	%	Rfc	\$	%	Act	\$	%
Cash flow from operations																									
Net income (Loss)	\$ (342)	\$ (97)	(245)	252.4%	\$ (342)	0	\$ (342)	0	\$ (342)	0	\$ (3,299)	\$ (2,945)	\$ (354)	12.0%	\$ (2,488,809)	\$ (2,485,511)	(99.9%)	\$ (487)	\$ (2,812)	578%					
Depreciation, amortization and other	555	560	(5)	(0.9%)	—	555	0	—	555	0	4,488	4,502	(14)	(0.3%)	568,140	(563,652)	(99.2%)	560	3,928	701%					
Capitalized fees & expenses	21	19	1	6.1%	19	1	6.1%	21	—	0.0%	163	155	8	5.3%	19,384	(19,220)	(99.2%)	21	143	694%					
Gain (loss) on sale of fixed assets	—	—	—	—	—	0	—	—	0	—	8	—	8	0	—	—	8	—	8	—	—	—	—	—	
Non-cash interest expense	251	272	(21)	(7.6%)	279	(28)	(10.1%)	247	3	1.4%	2,076	2,148	(72)	(3.4%)	313,371	(311,295)	(99.3%)	247	1,828	739%					
Non-cash dividends	—	—	—	—	—	—	—	—	—	—	(21)	—	(21)	—	—	—	(21)	—	(21)	—	—	—	—	—	
Deferred income tax	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Change in operating assets and liabilities:																									
Accounts receivable	(226)	(131)	(95)	72.0%	(577)	351	(60.8%)	708	(934)	(131.9%)	(364)	(770)	406	(52.7%)	189,314	(189,679)	(100.2%)	708	(1,073)	-151%					
Inventory	(222)	(20)	(202)	1012.1%	387	(610)	(157.5%)	(83)	(139)	168.0%	111	69	42	61.4%	293,690	(293,579)	(100.0%)	(83)	194	-234%					
Prepaid expenses and other current assets	100	74	26	35.2%	192	(93)	(48.2%)	108	(8)	(7.4%)	(198)	(103)	(95)	92.3%	1,886,967	(1,887,165)	(100.0%)	108	(306)	-284%					
Accounts payable	564	(232)	796	(343.2%)	(52)	616	(1188.8%)	(149)	713	(478.2%)	843	(399)	1,242	(311.2%)	(171,170)	172,013	(100.5%)	(149)	992	-665%					
Accrued expenses	46	(1)	47	(4820.0%)	176	(129)	(73.6%)	19	27	145.2%	798	60	738	1224.9%	(5,549)	6,347	(114.4%)	19	779	4118%					
Accrued income taxes	(0)	(17)	17	(100.0%)	31	(31)	(100.0%)	—	(0)	—	(0)	(869)	869	(100.0%)	35,400	(35,400)	(100.0%)	—	(0)	—					
Other changes in operating assets and liabilities	—	—	—	—	—	—	—	—	—	—	(63)	—	(63)	—	—	(63)	—	—	(63)	—	—				
Other cash flow from operations	—	—	—	—	—	—	—	—	—	—	(1)	—	(1)	—	—	(1)	—	—	(1)	—	—				
Total Cash Flow from Operations	\$ 746	\$ 426	\$ 320	75.1%	\$ 493	\$ 254	51.5%	\$ 944	\$ (198)	(21.0%)	\$ 4,542	\$ 1,848	\$ 2,694	145.8%	\$ 640,737	\$ (636,195)	(99.3%)	\$ 944	\$ 3,598	381%					
Cash flow from investing																									
Additions to property, plant and equipment	\$ (63)	\$ (85)	\$ 22	(25.5%)	\$ (50)	\$ (13)	26.3%	\$ (212)	\$ 149	(70.2%)	\$ (952)	\$ (1,175)	\$ 223	(19.0%)	\$ (952)	\$ (212)	\$ (740)	348%							
Acquisitions of companies, net of cash acquired	—	—	—	—	—	—	—	—	—	—	(5,095)	—	(5,095)	—	—	(5,095)	—	(5,095)	—	—					
Investment in intangibles	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Earnout payments	(22)	(22)	—	0.0%	—	(22)	—	(22)	—	0.0%	(130)	(130)	—	0.0%	—	(130)	—	(130)	—	(22)	(108)	500%			
Other cash flow from investing (goodwill)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(6,704)	6,704	(100.0%)	—	—					
Total Cash Flow from Investing	\$ (85)	\$ (107)	\$ 22	—	\$ (50)	\$ (35)	69.5%	\$ (234)	\$ 149	(63.7%)	\$ (6,178)	\$ (1,305)	\$ (4,872)	373.3%	\$ (6,178)	\$ (234)	\$ (5,944)	2540%							
Cash flow from financing																									
Proceeds from the issuance (repayment) of ST	\$ —	\$ (500)	\$ 500	(100.0%)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,700	\$ 550	\$ 2,150	390.9%	\$ 2,700	\$ —	\$ 2,700	\$ —	\$ 2,700	\$ —	\$ 2,700	\$ —	\$ 2,700	\$ —	
Proceeds from the issuance of debt	—	—	—	—	—	—	—	—	—	—	2,000	0	2,000	1249999927.9%	—	—	2,000	—	2,000	—	2,000	—	2,000	—	
Repayment of debt	—	—	—	—	—	—	—	—	—	—	(2,552)	(2,542)	(10)	0.4%	—	(2,552)	—	(2,552)	—	(2,552)	—	(2,552)	—	(2,552)	—
Capital lease	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Common stock issued (repurchased)	—	—	—	—	—	—	—	—	—	—	(3)	—	(3)	—	—	(3)	—	(3)	—	(3)	—	(3)	—	(3)	
Common stock cash dividends paid	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Preferred stock issued (repurchased)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Other cash flow from financing costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Total Cash Flow from Financing	\$ —	\$ (500)	\$ 500	(100.0%)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,145	\$ (1,992)	\$ 4,137	(207.7%)	\$ —	\$ 2,145	\$ —	\$ —	\$ 2,145	\$ —	\$ —	\$ 2,145	\$ —	\$ —	
Effect of FX rates on cash and cash equivalents	\$ —	\$ —	\$ —	—	\$ (86)	\$ 86	(100.0%)	\$ (0)	\$ 0	(100.0%)	\$ (422)	\$ (200)	\$ (222)	111.0%	\$ 28,994	\$ (29,416)	(1)	\$ (422)	70312668%						
Net change in cash	\$ 661	\$ (180)	\$ 842	(466.8%)	\$ 356	\$ 305	85.6%	\$ 710	\$ (49)	(6.9%)	\$ 88	\$ (1,649)	\$ 1,737	(105.3%)	\$ 663,028	\$ (662,940)	(1)	\$ 710	\$ (623)	-88%					
Beginning cash	1,101	206	895	434.5%	3,260	(2,159)	(66.2%)	525	576	109.7%	20,423	5,797	14,626	252.3%	2,038,692	(2,018,269)	(1)	525	19,898	3789%					
Change in cash	661	(180)	842	(466.8%)	356	305	85.6%	710	(49)	(6.9%)	88	(1,649)	1,737	(105.3%)	663,028	(662,940)	(1)	710	(623)	-88%					
Ending cash	\$ 1,763	\$ 26	\$ 1,737	6742.7%	\$ 3,617	\$ (1,854)	(51.3%)	\$ 1,236	\$ 527	42.7%	\$ 20,511	\$ 4,148	\$ 16,363	394.5%	\$ 2,701,720	\$ (2,681,209)	(1)	\$ 1,236	\$ 19,276	1560%					

Management Discussion:

- Operating cashflow was better than plan due to higher EBITDA and higher payables partially offset by higher A/R.
 - \$22k deferred comp payment is on the Earnout line in the investing section of the statement.



Consolidated OPEX Detail

\$'000

	YTD		Explanation of Variance				Variance Impact			
	Act	Bud	Variance	One-Time / Non-recurring	Timing	Change in Run-rate	Other	Total Variance B / (W)	YoY Impact B / (W)	Annualized Impact B / (W)
			B / (W)							
Payroll (Payroll, OT, SS & Taxes, Temp Labor, Share Options)	2,572	3,197	625		625			625	-	-
Benefits (Medical, Dental, Life, AD&D & 401K)	471	546	75					-	-	-
Bonus	581	688	107					-	-	-
Marketing	411	635	224					-	-	-
Commissions	248	131	(117)					-	-	-
Travel and Entertainment	67	262	196		196			196	-	-
Rent and Facilities	172	221	49					-	-	-
Insurance	130	135	5					-	-	-
Professional Fees	515	492	(23)		(23)			(23)	(23)	(137)
Utilities, Repairs, Maint. & Security	25	28	3					-	-	-
Office Supplies	106	75	(32)					-	-	-
IT	361	592	230		230			230	230	1,382
Bad Debt	31	30	(1)					-	-	-
Real Estate Taxes	121	121	0					-	-	-
Other Expenses	472	352	(120)					-	-	-
Total Opex	6,284	7,505	1,222	-	1,028	-	-	1,028	208	1,245

Management Discussion:

One-time costs

\$'000

	Act (06/19 - 08/20)	Fcst (06/19-08/20)	Variance F/(U)	Explanation of Variance								
				One-Time / Non-recurring	Timing	Change in Run-rate	Other	Original Fcst (06/19 - 06/20)	Updated Fcst (06/19 - 06/20)	Total Variance F/(U)	YoY Impact F/(U)	Annualized Impact F/(U)
Transaction Services Agreement (TSA)	\$ 1,093	\$ 809	\$ (284)	\$ (284)	\$ 1	\$ -	\$ -	\$ 791	\$ 973	\$ (182)	\$ (182)	\$ (1,092.00)
Opening Balance Sheet audit	4	5	1	\$ -	\$ 1	\$ -	\$ -	12	8	4	4	24
Asset Valuation Report	34	40	6	\$ -	\$ 6	\$ -	\$ -	40	30	10	10	60
ERP Implementation	718	600	(118)	\$ -	\$ (118)	\$ -	\$ -	550	490	60	60	360
Website Build	267	400	133	\$ -	\$ 133	\$ -	\$ -	350	350	\$ -	\$ -	\$ -
Data Analytics Platform	98	160	62	\$ -	\$ 62	\$ -	\$ -	160	106	54	\$ -	\$ -
IT System Upgrade	77	300	223	\$ -	\$ 223	\$ -	\$ -	300	352	(52)	(52)	(312)
Supply Chain Specialist	60	60	\$ -	\$ -	\$ -	\$ -	\$ -	60	60	\$ -	\$ -	(60)
Pricing Specialist	-	110	110	\$ -	\$ 110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Force Efficiency Specialist	144	120	(24)	\$ -	\$ (24)	\$ -	\$ -	134	119	15	15	90
M&R Setup	59	65	6	\$ -	\$ 6	\$ -	\$ -	40	37	3	3	18
HR Specialist	117	200	83	\$ -	\$ 83	\$ -	\$ -	147	122	25	25	150
Interim CFO Support Services	171	187	15	\$ -	\$ 15	\$ -	\$ -	171	171	\$ -	\$ -	\$ -
IT Specialist	189	135	(54)	\$ -	\$ (54)	\$ -	\$ -	126	156	(30)	(30)	(180)
Recruitment of new personnel	106	243	137	\$ -	\$ 137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing/product roadmap study	36	-	(36)	\$ -	\$ (36)	\$ -	\$ -	70	(70)	(70)	(70)	(420)
Rebranding	33	100	67	\$ -	\$ 67	\$ -	\$ -	75	50	25	25	150
Ceridian Implementation	1	-	(1)	\$ -	\$ (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Acquisition Cost	28	-	(28)	\$ -	\$ (28)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Growth & Strategy (Beckway)	155	-	(155)	\$ -	\$ (155)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	5	-	(5)	\$ -	\$ (5)	\$ -	\$ -	5	5	5	5	30
Infinity Restructuring Costs	77	50	(27)	\$ -	\$ (27)	\$ -	\$ -	120	120	120	120	720
Total 1x Costs	\$ 3,472	\$ 3,584	\$ 112	\$ -	\$ (25)	\$ 137	\$ -	\$ 3,081	\$ 3,119	\$ (38)	\$ (67)	\$ (462)

Management Discussion:

- TSA costs are higher due to delays with the IT separation.
- ERP costs will exceed the \$600k planned due to delays caused by the impact of the corona virus and higher modification costs in specific areas (labels, scheduling, and customer service)
- One Time costs for Duraco will likely be completely consumed by the end of September.

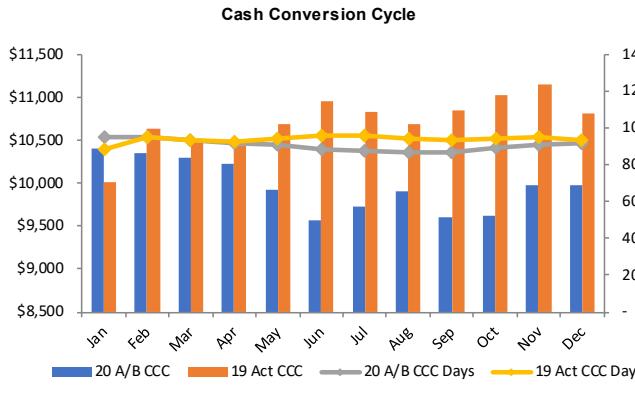
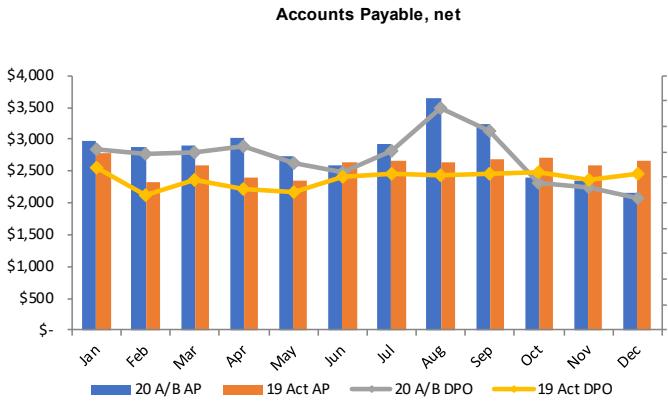
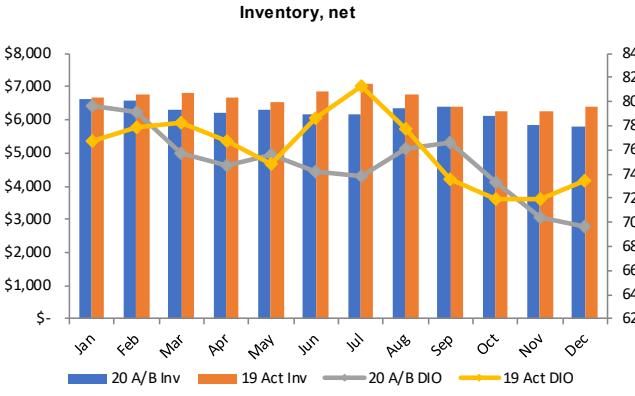
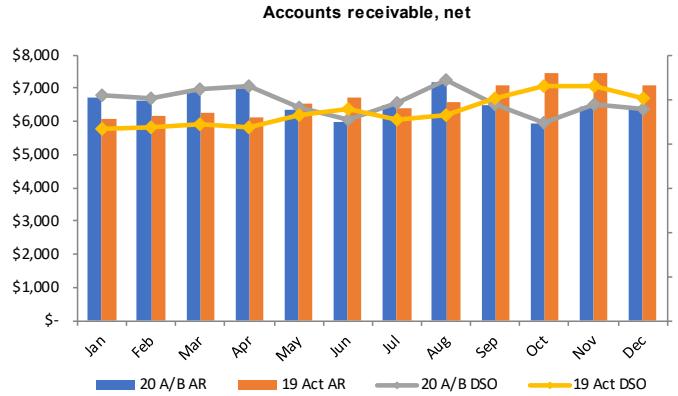
Debt Leverage Ratios – August 2020

	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20
Bank EBITDA Calculation													
Bank EBITDA	\$1,062	\$999	\$1,629	\$971	\$533	\$713	\$825	\$864	\$841	\$700	\$976	\$940	\$827
Consolidated TTM Bank EBITDA	\$10,190	\$10,378	\$10,803	\$10,853	\$10,603	\$10,796	\$10,995	\$11,172	\$11,028	\$10,950	\$11,058	\$11,053	\$10,818
Fixed Charge Coverage Ratio (Section 6.1)													
Bank EBITDA	\$1,062	\$999	\$1,629	\$971	\$533	\$713	\$825	\$864	\$841	\$700	\$976	\$940	\$827
i - Unfinanced Capital Expenditures	\$ 14	\$ 63	\$ 80	\$ 242	\$ 60	\$ 39	\$ 330	\$ 42	\$ 38	\$ 55	\$ 207	\$ 191	\$ 64
ii - Management Fees paid or incurred	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83
iii - Income/franchise taxes paid or incurred	-	-	-	-	-	-	-	-	-	-	-	-	-
iv - Restricted Distributions paid in cash	-	-	-	-	-	-	-	-	-	-	-	-	1
v - Contingent Purchase Price Obligations paid in cash	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Cash Flow (Numerator)	\$965	\$853	\$1,465	\$646	\$389	\$591	\$411	\$739	\$719	\$561	\$685	\$666	\$679
Interest Expense	\$ 285	\$ 285	\$ 285	\$ 285	\$ 285	\$ 285	\$ 285	\$ 285	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260
Less: Interest Received	\$ -	\$ -	\$ 278	\$ -	\$ 278	\$ -	\$ 278	\$ -	\$ 278	\$ -	\$ 278	\$ -	\$ -
a Net Cash Interest	\$ 285	\$ 285	\$ 285	\$ 285	\$ 285	\$ 285	\$ 285	\$ 285	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260
b Regularly scheduled principal payments	\$ -	\$ -	\$ 278	\$ -	\$ 278	\$ -	\$ 278	\$ -	\$ 278	\$ -	\$ 278	\$ -	\$ -
Fixed Charges (Denominator)	\$ 285	\$ 285	\$ 563	\$ 285	\$ 563	\$ 285	\$ 285	\$ 563	\$ 260	\$ 260	\$ 538	\$ 260	\$ 260
TTM Numerator	\$ 8,561	\$ 8,729	\$ 9,117	\$ 8,968	\$ 8,701	\$ 8,943	\$ 8,900	\$ 9,123	\$ 9,042	\$ 8,939	\$ 8,873	\$ 8,691	\$ 8,405
TTM Denominator	\$ 4,240	\$ 4,240	\$ 4,518	\$ 4,518	\$ 4,530	\$ 4,530	\$ 4,530	\$ 4,530	\$ 4,505	\$ 4,480	\$ 4,455	\$ 4,431	\$ 4,406
Fixed Charge Coverage Ratio	N/A	2.06	2.02	1.99	1.92	1.97	1.96	2.01	2.01	2.00	1.99	1.96	1.91
Covenant Status	1.10 Pass												
Total Debt to EBITDA Ratio (Section 6.2)													
+ Outstanding amount of Revolving Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,200	\$ 7,000	\$ 7,000	\$ 4,000	\$ 2,700	\$ 2,700	\$ 2,700
+ Outstanding Principal Balance - Term Loan	\$42,474	\$42,474	\$41,359	\$41,359	\$41,099	\$41,099	\$43,099	\$42,679	\$42,397	\$42,397	\$42,122	\$42,122	\$42,122
+ Outstanding Principal Balance - Other Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300
- Qualified Cash	(1,922)	(2,353)	(1,165)	(1,528)	(1,609)	(2,078)	(1,445)	(3,000)	(2,916)	(2,605)	(990)	(1,103)	(1,763)
Bank Debt	\$40,552	\$40,121	\$40,194	\$39,831	\$39,490	\$39,021	\$47,155	\$47,979	\$47,780	\$45,092	\$45,131	\$45,019	\$44,359
Consolidated TTM Bank EBITDA	\$10,190	\$10,378	\$10,803	\$10,853	\$10,603	\$10,796	\$10,995	\$11,172	\$11,028	\$10,950	\$11,058	\$11,053	\$10,818
Leverage Ratio	3.98	3.87	3.72	3.67	3.72	3.61	4.29	4.29	4.33	4.12	4.08	4.07	4.10
Maximum Permitted Total Debt to EBITDA Ratio for the defined period.	6.25	6.25	6.00	5.75									
Status	Pass	Pass	Pass	Pass									

Management Discussion:

- Duraco is well within all covenants.
- The line items have been annualized per page 10 of Exhibit C of the amended credit agreement.
 - Interest Payments
 - Scheduled payments of principal
 - Management Fees
 - Cash Taxes paid
- It is unlikely that we will break the Q4 covenant given where the business is performing compared to forecast.

Consolidated Working Capital and Cash Conversion Cycle



Management Discussion:

- 2020 CCC days have improved compared to PY due largely to lower inventory balances and higher A/P partially offset by higher A/R.
- 2020 A/P is higher than 2019 due largely to increased restructuring costs. This will begin to reduce when restructuring activities decline.
- Inventory has outperformed 2019 due to improvements in the stock model and an increased focus on reducing inventory.

Information Systems and Technology

Status of Key IT Initiatives

STATUS UPDATE: PROJECT DETAILS

PROJECT	STATUS	CURRENT STATUS & NEXT STEPS	TIMING	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
Infrastructure	●	<ul style="list-style-type: none"> We have taken control of the Wi-Fi controller and network switches. The SDWAN setup has been completed. Essentra has removed all their IT equipment from within the building. We are now completely live on all Duraco hardware. The next phase is to design and implement full network redundancy as well as improve Wi-Fi coverage with modern wireless access points in the facility. 	Q1 2020	N/A	N/A
ERP	●	<ul style="list-style-type: none"> Infor CSI is now live as of August 17th. 	Q2 2020	N/A	N/A
Enterprise applications (other than ERP)	●	<ul style="list-style-type: none"> The CRM search is concluding the week of the September 21st with presentation to Brad and David to follow. We are currently in talks with RPA vendors to receive proposals for integration to Infor CSI. 	Q4 2020	N/A	N/A
Telephony	●	<ul style="list-style-type: none"> The new phone system rollout has been completed and we are now running on our Teams based platform. 	Q1 2020	N/A	N/A
End-points	●	<ul style="list-style-type: none"> All office machines have been refreshed. We are currently refreshing plant supervisor workstations. The last phase is refreshing the regular plant workstations. 	Q2 2020	N/A	N/A

● Complete
 ● Just started
 ● On Track
 ● At Risk
 ● Behind Schedule

Consolidated Full year outlook and P&L

\$'000	YTD		Variance		FY	PY	Variance		TTM
	Act	Bud	\$	%			Act	\$	
Gross Revenue	\$ 33,426	\$ 34,935	\$ (1,509)	(4.3%)	\$ 48,551	\$ 51,606	\$ (3,055)	(5.9%)	\$ 51,265
Net Revenue	\$ 33,199	\$ 34,728	\$ (1,529)	(4.4%)	\$ 48,226	\$ 51,414	\$ (3,188)	(6.2%)	\$ 51,079
Material	12,207	12,266	59	0.5%	17,820	18,990	(1,170)	(6.2%)	18,788
36.8%	35.3%	(0)	(4.1%)	37.0%	36.9%			36.8%	
Labor	3,738	3,890	152	3.9%	5,414	5,671	(257)	(4.5%)	5,670
11.3%	11.2%	(0)	(0.5%)	11.2%	11.0%			11.1%	
Other COGS	4,775	5,110	335	6.6%	7,176	7,144	32	0.4%	7,235
Total COGS	\$ 20,719	\$ 21,265	\$ 546	2.6%	\$ 30,411	\$ 31,806	\$ (1,395)	(4.4%)	\$ 31,693
Gross Margin	\$ 12,480	\$ 13,463	\$ (983)	(7.3%)	\$ 17,816	\$ 19,608	\$ (1,793)	(9.1%)	\$ 19,386
Gross Margin %	37.6%	38.8%			36.9%	38.1%			38.0%
R&D	104	274	170	62.0%	221	313	(92)	(29.3%)	231
Sales & Marketing	2,843	3,548	704	19.9%	4,443	4,490	(47)	(1.0%)	4,410
Administrative	3,259	3,683	425	11.5%	4,794	5,732	(938)	(16.4%)	4,794
Other Opex	77	—	(77)	0	45	31	15	48.2%	108
Total Opex	\$ 6,284	\$ 7,505	\$ 1,222	16.3%	\$ 9,503	\$ 10,565	\$ (1,062)	(10.1%)	\$ 9,542
EBITDA	\$ 6,196	\$ 5,958	\$ 238	4.0%	\$ 8,313	\$ 9,043	\$ (730)	(8.1%)	\$ 9,844
EBITDA %	18.7%	17.2%			17.2%	17.6%			19.3%
Bank allowable EBITDA add-back	491	159	332	208.8%	567	1,727	(1,160)	(67.1%)	1,211
Bank EBITDA	\$ 6,687	\$ 6,117	\$ 570	9.3%	\$ 8,880	\$ 10,770	\$ (1,890)	(17.6%)	\$ 11,054
(Standalone Costs)									
PF Adjusted EBITDA									
Indicative %									
Net Income (Loss)	\$ (3,299)	\$ (2,945)	\$ (354)	12.0%	\$ (4,958)	\$ 662	\$ (5,620)	(849.5%)	\$ (4,521)

\$'000	YTD		Variance		PY	Variance		TTM	
	Act	Bud	\$	%		Bud	Act	\$	
Opex Overview:									
Payroll (Payroll, OT, SS & Taxes, \$	2,572	\$ 3,197	625	19.5%	\$ 4,192	\$ 3,638	\$ 554	15.2%	
Benefits (Medical, Dental, Life,..	471	546	75	13.8%	701	649	52	8.0%	
Bonus	581	688	107	15.5%	581	548	33	6.0%	
Marketing	411	635	224	35.3%	677	898	(221)	(24.6%)	
Commissions	248	131	(117)	(88.9%)	345	233	112	47.8%	
Travel and Entertainment	67	221	155	69.9%	306	233	74	31.7%	
Rent and Facilities	172	262	90	34.2%	178	312	(134)	(42.9%)	
Insurance	130	135	5	3.8%	198	124	75	60.3%	
Professional Fees	515	492	(23)	(4.6%)	721	453	268	59.2%	
Utilities, Repairs, Maint. & Secu	25	28	3	9.7%	39	49	(10)	(19.5%)	
Office Supplies	106	75	(32)	(42.2%)	145	155	(10)	(6.3%)	
IT	361	592	230	38.9%	589	389	200	51.4%	
Bad Debt	31	30	(1)	(3.5%)	45	51	(6)	(12.2%)	
Real Estate Taxes	121	121	0	0.0%	176	209	(32)	(15.5%)	
Other Expenses	472	352	(120)	(34.1%)	640	2,624	(1,985)	(75.6%)	
Total Opex	\$ 6,284	\$ 7,505	\$ 1,222	16.3%	\$ 9,535	\$ 10,565	\$ (1,030)	(9.8%)	\$ 9,542

Consolidated Monthly P&L

\$'000	2020												FY (7+5)		FY		Var	
	20-Jan Act	20-Feb Act	20-Mar Act	20-Apr Act	20-May Act	20-Jun Act	20-Jul Act	20-Aug Rfc	20-Sep Rfc	20-Oct Rfc	20-Nov Rfc	20-Dec Rfc	Act	Bud	\$	%		
Gross Revenue	\$ 4,317	\$ 3,997	\$ 4,304	\$ 4,499	\$ 3,356	\$ 4,337	\$ 4,638	\$ 3,502	\$ 3,612	\$ 4,620	\$ 3,647	\$ 3,247	\$ 48,074	\$ 53,728	\$ (5,654)	(10.5%)		
Net Revenue	4,301	3,973	4,279	4,489	3,338	4,314	4,610	3,479	3,589	4,592	3,621	3,225	47,811	53,410	(5,599)	(10.5%)		
Material	1,564	1,369	1,526	1,641	1,181	1,698	1,772	1,321	1,354	1,704	1,378	1,177	17,686	18,858	(1,172)	(6.2%)		
Labor	36.4%	34.5%	35.7%	36.6%	35.4%	39.4%	38.4%	38.0%	37.7%	37.1%	38.1%	36.5%	37.0%	35.3%	20.9%			
Other COGS	538	442	450	546	344	457	529	375	385	545	385	362	5,359	5,879	(520)	(8.8%)		
Total COGS	649	603	631	658	550	551	636	541	564	701	550	587	7,219	7,790	(571)	(7.3%)		
Gross Margin	2,751	2,415	2,607	2,846	2,075	2,706	2,938	2,237	2,303	2,950	2,313	2,127	30,270	32,526	(2,256)	(6.9%)		
Gross Margin %	1,550	1,558	1,673	1,643	1,263	1,608	1,672	1,242	1,286	1,642	1,308	1,098	17,541	20,884	(3,343)	(16.0%)		
Gross Margin %	36.0%	39.2%	39.1%	36.6%	37.8%	37.3%	36.3%	35.7%	35.8%	35.8%	36.1%	34.0%	36.7%	39.1%				
R&D	27	13	13	18	9	8	9	16	27	33	27	30	229	407	(178)	(43.7%)		
Sales & Marketing	377	365	412	423	173	333	391	357	374	451	377	398	4,431	5,398	(966)	(17.9%)		
Administrative	442	377	431	472	376	358	405	364	361	420	366	387	4,760	5,547	(787)	(14.2%)		
Other Opex	—	(2)	1	—	100	(22)	79	—	(16)	(16)	(32)	(16)	76	—	76			
Total Opex	846	753	857	913	658	677	884	737	747	888	737	799	9,497	11,352	(1,856)	(16.3%)		
EBITDA	704	805	816	730	605	930	788	504	540	754	571	298	8,045	9,532	(1,487)	(15.6%)		
EBITDA %	16.4%	20.3%	19.1%	16.3%	18.1%	21.6%	17.1%	14.5%	15.0%	16.4%	15.8%	9.2%	16.8%	17.8%	(1.0%)			
Bank allowable EBITDA add-backs	9	20	48	111	94	45	73	19	19	19	19	19	496	207	289	139.4%		
Bank EBITDA	713	825	864	841	700	976	940	540	559	774	558	302	8,593	9,739	(1,146)	(11.8%)		
(Standalone Costs)	(129)	(115)	(80)	(140)	(127)	(145)	(144)	(59)	(37)	(33)	(30)	(30)	(1,068)	(13)	(1,055)	8148.2%		
PF Adjusted EBITDA	584	710	785	701	573	831	796	481	522	740	529	272	7,525	9,726	(2,201)	(22.6%)		
Indicative %															0			
Net Income (Loss)	\$ (400)	\$ (485)	\$ (563)	\$ (399)	\$ (564)	\$ (208)	\$ (337)	\$ (487)	\$ (393)	\$ (186)	\$ (393)	\$ (688)	\$ (5,103)	\$ (3,128)	\$ (1,975)	63.1%		

\$'000	2020												FY (2+11)		FY		Var	
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Act	Bud	\$	%		
Opx Overview:																		
Payroll (Payroll, OT, SS & Taxes, Temp	368	317	304	361	250	298	366	347	371	451	367	432	4,231	\$ 4,874	\$ (643)	(13.2%)		
Benefits (Medical, Dental, Life, AD&D	54	63	68	65	51	41	64	55	55	65	55	55	690	840	(149)	(17.8%)		
Bonus	86	86	86	86	86	86	—	—	—	—	—	—	516	1,031	(516)	(50.0%)		
Marketing	79	79	79	17	1	33	66	66	66	66	66	66	687	953	(265)	(27.8%)		
Commissions	15	15	31	39	22	43	53	19	20	38	26	13	335	234	101	43.0%		
Travel and Entertainment	23	10	26	(4)	1	2	4	24	26	33	28	25	198	344	(146)	(42.4%)		
Rent and Facilities	18	18	21	23	23	23	23	33	33	33	33	33	317	396	(79)	(19.9%)		
Insurance	18	15	17	21	17	8	19	16	16	20	16	16	200	204	(4)	(2.0%)		
Professional Fees	36	46	91	130	15	83	55	51	51	54	51	51	713	706	7	1.0%		
Utilities, Repairs, Maint. & Security	3	1	1	3	0	1	9	3	3	4	3	3	36	42	(7)	(15.5%)		
Office Supplies	11	10	16	15	7	11	10	10	10	10	10	10	129	114	15	13.4%		
IT	46	41	51	44	38	30	64	56	56	60	56	56	599	874	(275)	(31.5%)		
Bad Debt	12	(3)	3	16	4	(2)	(5)	3	3	4	3	3	42	44	(2)	(3.8%)		
Real Estate Taxes	20	16	13	16	13	13	16	13	13	16	13	13	176	176	(0)	(0.0%)		
Other Expenses	55	39	48	80	128	7	62	41	39	48	41	40	629	520	109	20.9%		
Total Opex	\$ 846	\$ 753	\$ 857	\$ 913	\$ 658	\$ 677	\$ 805	\$ 737	\$ 763	\$ 904	\$ 769	\$ 815	\$ 9,498	\$ 11,352	\$ (1,854)	(16.3%)		

Consolidated Monthly EBITDA to Net Income (Loss) Bridge

\$'000	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var	PY	Var		
	Act	Rfc	Rfc	Rfc	Rfc	Rfc	7 m Act + 5 Rfc	Rfc	\$	%	Act	\$	%						
EBITDA - as reported	\$ 704	\$ 805	\$ 816	\$ 730	\$ 605	\$ 931	\$ 867	\$ 521	\$ 540	\$ 755	\$ 539	\$ 283	\$ 8,097	\$ 7,840	\$ 257	3.3%	\$ 9,043	\$ (946)	(10.5%)
Depreciation and amortization	(569)	(570)	(560)	(560)	(560)	(555)	(560)	(560)	(560)	(560)	(560)	(560)	(6,735)	(6,740)	5	(0.1%)	(4,668)	(2,067)	44.3%
Interest and amortization	(281)	(277)	(296)	(257)	(272)	(314)	(271)	(268)	(260)	(266)	(259)	(266)	(3,287)	(3,431)	143	(4.2%)	(1,784)	(1,503)	84.2%
Other financial income/expense	(0)	(1)	(0)	(0)	0	(0)	–	–	–	–	–	–	(2)	(2)	–	–	31	(33)	(106.9%)
Non-financial income/expense	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	(8)	8	(100.0%)
Monitoring fees (including expenses)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(1,000)	(1,000)	–	–	(500)	(500)	100.0%
Restructuring costs	(171)	(360)	(440)	(229)	(255)	(182)	(289)	(96)	(30)	(30)	(30)	(60)	(2,172)	(2,067)	(104)	5.1%	(1,452)	(720)	49.6%
Non-recurring items	–	–	–	–	–	–	–	–	–	–	–	–	–	(2,067)	2,067	(100.0%)	(0)	0	(100.0%)
Taxes	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	0	(0)	(100.0%)
GAAP Net Income (Loss)	\$ (400)	\$ (485)	\$ (563)	\$ (399)	\$ (564)	\$ (208)	\$ (332)	\$ (487)	\$ (393)	\$ (186)	\$ (393)	\$ (688)	\$ (5,099)	\$ (7,467)	\$ 2,368	(31.7%)	\$ 662	\$ (5,760)	(870.7%)

Management Discussion

Consolidated Monthly Balance Sheet

\$'000	20-Jan	20-Feb	20-Mar	20-Apr	20-May	20-Jun	20-Jul	20-Aug	20-Sep	20-Oct	20-Nov	20-Dec	FY	PY
	Act	Rfc	Rfc	Rfc	Rfc	Rfc	Act							
Current Assets														
Cash and cash equivalents	2,206	1,659	5,513	4,579	2,605	1,085	1,101	1,763	1,777	422	778	170	170	1,675
Short term investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Accounts receivable, gross	6,805	6,731	7,330	6,992	6,048	6,244	7,087	7,792	5,626	6,533	6,660	6,325	6,325	6,924
Accounts receivable, reserves	(142)	(140)	(142)	(159)	(163)	(160)	(156)	(318)	(152)	(152)	(152)	(152)	(152)	(130)
Accounts receivable, net	6,663	6,592	7,187	6,834	5,885	6,084	6,932	7,474	5,474	6,381	6,508	6,173	6,173	6,793
Inventory, gross	7,724	7,503	7,189	7,366	7,367	7,098	7,114	7,442	7,370	6,970	6,920	6,870	6,870	7,570
Inventory, reserves	(1,017)	(1,026)	(1,041)	(1,061)	(1,076)	(1,026)	(882)	(988)	(1,056)	(1,071)	(1,086)	(1,101)	(1,101)	(1,005)
Inventory, net	6,707	6,477	6,148	6,305	6,290	6,072	6,231	6,454	6,314	5,899	5,834	5,769	5,769	6,565
Prepaid expenses and other current assets	474	385	327	561	421	444	631	532	488	739	616	492	492	333
Current portion of deferred taxes	5,612	5,579	5,583	5,797	5,797	5,797	5,797	5,797	5,797	5,797	5,797	5,797	5,797	—
Other current assets	285	331	222	—	—	—	—	—	—	—	—	—	—	—
Total Current Assets	16,049	15,113	19,175	18,278	15,201	13,685	14,895	16,222	14,053	13,442	13,736	12,605	12,605	15,366
Non-Current Assets														
Property, plant & equipment, gross	15,328	14,564	14,605	14,643	14,698	14,906	15,097	15,160	15,392	15,457	15,542	15,607	15,607	15,359
Accumulated depreciation	(2,549)	(2,298)	(2,378)	(2,459)	(2,540)	(2,621)	(2,697)	(2,773)	(2,865)	(2,947)	(3,028)	(3,110)	(3,110)	(2,524)
Property, plant & equipment, net	12,779	12,266	12,227	12,184	12,158	12,284	12,399	12,386	12,527	12,511	12,514	12,498	12,498	12,834
Identifiable intangible assets, gross	700	4,694	4,694	4,606	4,694	4,606	—	—	—	—	—	—	—	—
Accumulated amortization	(3,701)	(3,831)	(4,310)	(4,789)	(5,268)	(5,747)	(6,226)	(6,705)	(7,184)	(7,663)	(8,142)	(8,621)	(8,621)	(3,217)
Identifiable intangible assets, net	54,470	58,333	57,854	57,375	56,896	56,417	55,959	55,480	54,981	54,502	54,023	53,544	53,544	54,954
Deferred financing cost	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other non-current assets	—	5,234	5,234	5,234	5,234	5,234	5,234	5,234	5,234	5,234	5,234	5,234	5,234	—
Total Non-Current Assets	67,249	75,834	75,315	74,794	74,289	73,936	73,593	73,101	72,742	72,247	71,772	71,276	71,276	67,788
Total Assets	\$ 83,298	\$ 90,947	\$ 94,490	\$ 93,071	\$ 89,490	\$ 87,621	\$ 88,488	\$ 89,323	\$ 86,795	\$ 85,689	\$ 85,508	\$ 83,881	\$ 83,881	\$ 83,155
Current Liabilities														
Current portion of long-term debt	1,462	1,462	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,462
Notes Payable	261	3,318	7,794	7,237	4,488	2,700	2,951	3,202	3,434	2,946	3,184	2,700	2,700	—
Accounts payable	3,016	2,736	3,084	2,954	2,525	2,661	3,200	4,081	2,413	2,400	2,288	2,036	2,036	2,921
Accrued liabilities	2,564	2,542	2,247	2,197	2,360	2,626	3,041	3,087	2,683	2,540	2,627	2,700	2,700	2,289
Accrued compensation	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Income taxes payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	(233)	263	263	263	263	263	263	263	263	263	263	263	263	(233)
Total Current Liabilities	7,070	10,321	14,488	13,751	10,736	9,350	10,555	11,733	9,895	9,250	9,463	8,799	8,799	6,440
Long-term liabilities	\$ -	-												
Long-term debt less current maturities	39,638	41,638	41,579	41,297	41,297	41,022	41,022	41,022	41,022	40,747	40,747	40,472	40,472	39,638
Deferred income taxes	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other non-current liabilities	(795)	967	966	965	964	963	962	961	960	959	957	956	956	(814)
Total Long-Term Liabilities	38,843	42,605	42,546	42,262	42,261	41,985	41,984	41,983	41,981	41,706	41,705	41,429	41,429	38,824
Total Liabilities	45,913	52,926	57,033	56,013	52,996	51,335	52,539	53,716	51,876	50,955	51,167	50,228	50,228	45,263
Shareholders' Equity														
Common stock	39,389	43,501	43,501	43,501	43,501	43,501	43,501	43,501	43,501	43,501	43,501	43,501	43,501	39,392
Capital in excess of stated value	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Retained earnings	(3,094)	(5,481)	(6,044)	(6,443)	(7,007)	(7,215)	(7,552)	(7,894)	(8,582)	(8,768)	(9,161)	(9,848)	(9,848)	(2,694)
Accumulated other comprehensive income	1,636	—	—	—	—	—	—	—	—	—	—	—	—	1,678
Other equity transactions	(545)	—	—	—	—	—	—	—	—	—	—	—	—	(485)
Total Shareholders' Equity	37,385	38,021	37,457	37,058	36,494	36,286	35,949	35,607	34,919	34,734	34,341	33,653	33,653	37,891
Total Liabilities and Shareholders' Equity	\$ 83,298	\$ 90,947	\$ 94,490	\$ 93,071	\$ 89,490	\$ 87,621	\$ 88,488	\$ 89,323	\$ 86,795	\$ 85,689	\$ 85,508	\$ 83,881	\$ 83,881	\$ 83,154

Consolidated Balance Sheet – Year on Year Comparison

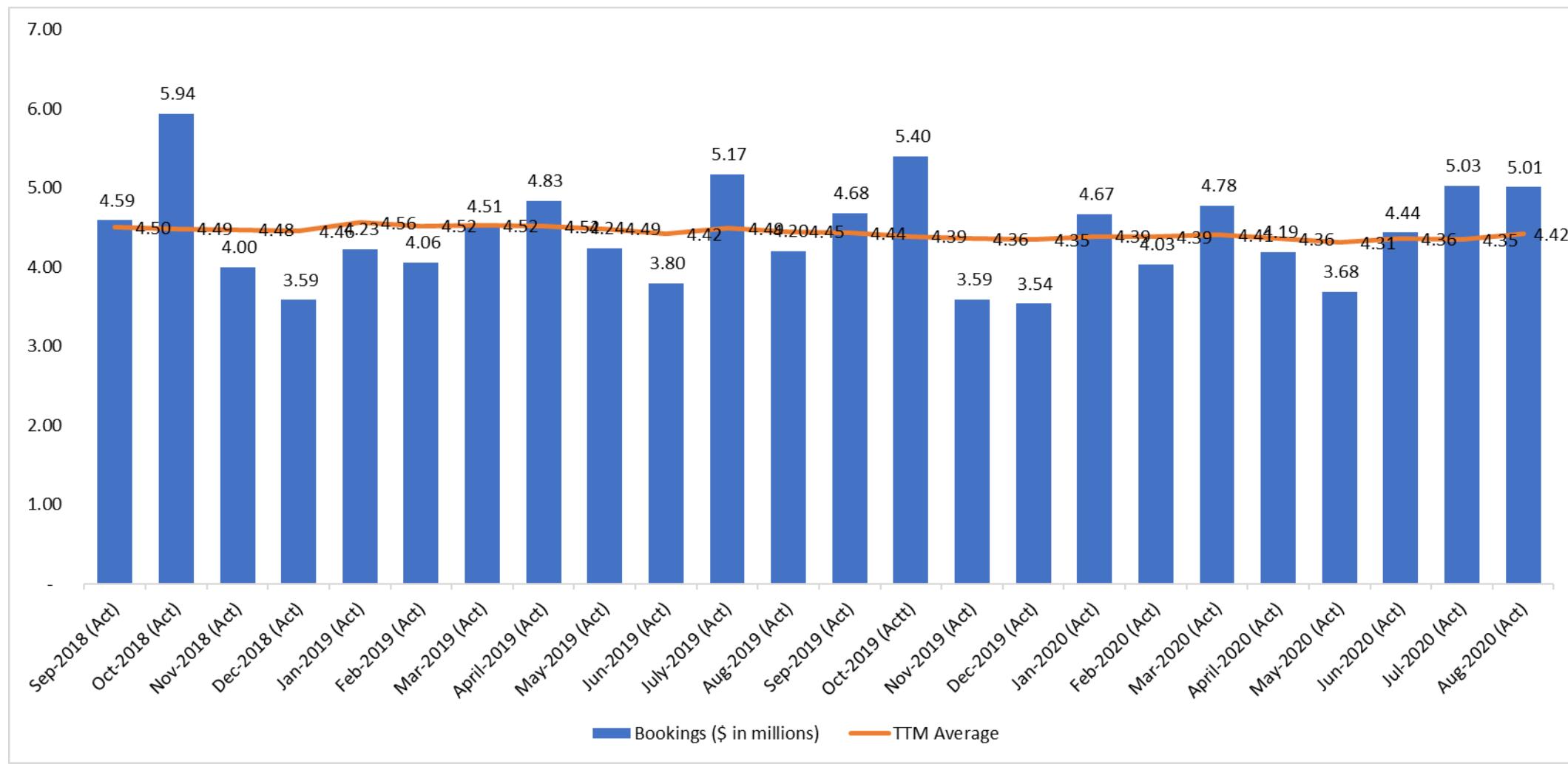
\$'000	YTD		Variance	
	CY	Dec-19	\$	%
<u>Current Assets</u>				
Cash and cash equivalents	\$ 1,763	\$ 1,675	\$ 88	5.2%
Short term investments	–	–	–	–
<i>Accounts receivable, gross</i>	7,792	6,924	868	12.5%
<i>Accounts receivable, reserves</i>	(318)	(130)	(187)	143.5%
<i>Accounts receivable, net</i>	7,474	6,793	681	10.0%
<i>Inventory, gross</i>	7,442	7,570	(128)	(1.7%)
<i>Inventory, reserves</i>	(988)	(1,005)	17	(1.7%)
<i>Inventory, net</i>	6,454	6,565	(111)	(1.7%)
Prepaid expenses and other current assets	532	333	198	59.5%
Current portion of deferred taxes	–	–	–	–
Other current assets	–	–	–	–
Total Current Assets	16,222	15,366	856	5.6%
<u>Non-Current Assets</u>				
Property, plant & equipment, gross	15,160	15,359	(199)	(1.3%)
Accumulated depreciation	(2,773)	(2,524)	(249)	9.9%
Property, plant & equipment, net	12,386	12,834	(448)	(3.5%)
Identifiable intangible assets, gross	–	–	–	–
Accumulated amortization	(6,705)	(3,217)	(3,488)	108.4%
Identifiable intangible assets, net	55,480	54,954	527	1.0%
Deferred financing cost	–	–	–	–
Other non-current assets	5,234	–	5,234	–
Total Non-Current Assets	73,101	67,788	5,313	7.8%
Total Assets	\$ 89,323	\$ 83,155	\$ 6,169	7.4%
<u>Current Liabilities</u>				
Current portion of long-term debt	\$ 1,100	\$ 1,462	\$ (362)	(24.7%)
Notes Payable	3,202	–	3,202	–
Accounts payable	4,081	2,921	1,160	39.7%
Accrued liabilities	3,087	2,289	798	34.9%
Accrued compensation	–	–	–	–
Income taxes payable	0	0	–	0.0%
Other current liabilities	263	(233)	496	(213.2%)
Total Current Liabilities	11,733	6,440	5,294	82.2%
<u>Long-term liabilities</u>				
Long-term debt less current maturities	41,022	39,638	1,384	3.5%
Deferred income taxes	–	–	–	–
Other non-current liabilities	961	(814)	1,775	(218.0%)
Total Long-Term Liabilities	41,983	38,824	3,159	8.1%
Total Liabilities	53,716	45,263	8,453	18.7%
<u>Shareholders' Equity</u>				
Common stock	43,501	39,392	4,109	10.4%
Capital in excess of stated value	–	–	–	–
Retained earnings	(7,894)	(2,694)	(5,200)	193.0%
Accumulated other comprehensive income	–	1,678	(1,678)	(100.0%)
Other equity transactions	–	(485)	485	(100.0%)
Total Shareholders' Equity	35,607	37,891	(2,284)	(6.0%)
Total Liabilities and Shareholders' Equity	\$ 89,323	\$ 83,154	\$ 6,169	7.4%

Consolidated Monthly Cash Flow

\$'000	20-Jan	20-Feb	20-Mar	20-Apr	20-May	20-Jun	20-Jul	20-Aug	20-Sep	20-Oct	20-Nov	20-Dec	FY (8+4)	FY	Variance	PY	Variance
	Act	Act	Act	Act	Act	Act	Act	Act	Rfc	Rfc	Rfc	Rfc	Act	Bud	\$ %	Act	\$ %
Cash flow from operations																	
Net Income (Loss)	\$ (400)	\$ (485)	\$ (563)	\$ (399)	\$ (564)	\$ (208)	\$ (337)	\$ (342)	\$ (391)	\$ (186)	\$ (393)	\$ (688)	\$ (4,956)	\$ (3,128)	\$ (1,828) 58.4%	\$ (438,690)	\$ 433,734 (98.9%)
Depreciation, amortization and other	569	570	560	560	560	560	555	555	560	560	560	560	6,729	6,743	(14) (0.2%)	569,786	(563,057) (98.8%)
Capitalized fees & expenses	19	21	21	21	21	21	21	21	21	21	21	21	246	233	13 5.6%	19,384	(19,138) (98.7%)
Gain (loss) on sale of fixed assets	—	8	—	—	—	—	—	—	—	—	—	—	8	—	8	—	8
Non-cash interest expense	261	256	276	237	251	293	251	251	239	246	238	246	3,045	3,198	(153) (4.8%)	246,325	(243,280) (98.8%)
Non-cash dividends	—	—	—	—	—	—	(21)	—	—	—	—	—	(21)	—	(21)	—	(21)
Deferred income tax	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Change in operating assets and liabilities:															\$ —		
Accounts receivable	130	72	(596)	354	948	(198)	(848)	(226)	(41)	(907)	(127)	335	(1,104)	(60)	(1,045) 1746.3%	584,160	(585,265) (100.2%)
Inventory	(142)	230	329	(157)	14	218	(159)	(222)	(85)	415	65	65	571	379	192 50.8%	(336,896)	337,468 (100.2%)
Prepaid expenses and other current assets	(141)	89	58	(233)	140	(23)	(187)	100	108	(251)	123	124	(95)	13	(108) (844.1%)	87,266	(87,361) (100.1%)
Accounts payable	94	(279)	347	(129)	(429)	136	539	564	274	(13)	(112)	(252)	739	(448)	1,186 (265.1%)	513,086	(512,347) (99.9%)
Accrued expenses	275	(22)	(295)	(50)	163	266	415	46	64	(143)	87	73	879	481	398 82.8%	306,762	(305,883) (99.7%)
Accrued income taxes	—	—	—	—	—	(0)	0	(0)	—	—	—	—	(0)	(897)	897 (100.0%)	(330,478)	330,478 (100.0%)
Other changes in operating assets and liabilities	—	(63)	—	—	—	—	—	—	—	—	—	—	(63)	—	(63)	—	(63)
Other cash flow from operations	—	(2)	1	—	—	—	—	—	—	—	—	—	(1)	—	(1)	—	(1)
Total Cash Flow from Operations	\$ 666	\$ 394	\$ 137	\$ 202	\$ 1,102	\$ 1,065	\$ 229	\$ 746	\$ 748	\$ (259)	\$ 462	\$ 484	\$ 5,977	\$ 6,514	\$ (537) (8.2%)	\$ 1,220,705	\$ (1,214,729) (99.5%)
Cash flow from investing																	
Additions to property, plant and equipment	\$ (25)	\$ (330)	\$ (42)	\$ (38)	\$ (55)	\$ (207)	\$ (191)	\$ (63)	\$ (56)	\$ (65)	\$ (85)	\$ (65)	\$ (1,224)	\$ (1,347)	\$ 124 (9.2%)	\$ —	\$ (1,224)
Acquisitions of companies, net of cash acquired	—	(5,095)	—	—	—	—	—	—	—	—	—	—	(5,095)	—	(5,095)	—	(5,095)
Investment in intangibles	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Earnout payments	—	—	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(217)	—	0.0%	—	(217)
Other cash flow from investing (goodwill)	—	—	—	—	—	—	—	—	—	—	—	—	(51,066)	—	—	51,066	(100.0%)
Total Cash Flow from Investing	\$ (25)	\$ (5,426)	\$ (64)	\$ (60)	\$ (77)	\$ (229)	\$ (213)	\$ (85)	\$ (78)	\$ (87)	\$ (107)	\$ (87)	\$ (6,536)	\$ (1,564)	\$ (4,972) 317.9%	\$ —	\$ (6,536)
Cash flow from financing																	
Proceeds from the issuance (repayment) of ST	\$ —	\$ 2,800	\$ 4,200	\$ —	\$ (3,000)	\$ (1,300)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,700	\$ 0	\$ 2,700 N/A	\$ —	2,700
Proceeds from the issuance of debt	—	2,000	—	—	—	—	—	—	—	—	—	—	2,000	0	2,000 N/A	—	2,000
Repayment of debt	—	—	(420)	(1,076)	—	(1,056)	—	—	(1,009)	—	(1,005)	(4,566)	(4,658)	92	(2.0%)	(1,050,937)	1,046,371 (99.6%)
Capital lease	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Common stock issued (repurchased)	(3)	—	—	—	—	—	—	—	—	—	—	—	(3)	—	(3)	—	(3)
Common stock cash dividends paid	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Preferred stock issued (repurchased)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other cash flow from financing costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Cash Flow from Financing	\$ (3)	\$ 4,800	\$ 3,780	\$ (1,076)	\$ (3,000)	\$ (2,356)	\$ —	\$ —	\$ (1,009)	\$ —	\$ (1,005)	\$ 131	\$ (4,658)	\$ 4,789 (102.8%)	\$ (1,050,937)	\$ 1,051,068 (100.0%)	
Effect of FX rates on cash and cash equivalents	\$ (108)	\$ (314)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (422)	\$ (200)	\$ (222) 111.0%	\$ (74,915)	\$ 74,493 (99.4%)	
Net change in cash	\$ 531	\$ (546)	\$ 3,854	\$ (934)	\$ (1,974)	\$ (1,520)	\$ 16	\$ 661	\$ 670	\$ (1,354)	\$ 355	\$ (607)	\$ (849)	\$ 92	\$ (942) (1020.5%)	\$ 43,788 \$ (44,637) (101.9%)	
Beginning cash	1,675	2,206	1,659	5,513	4,579	2,605	1,085	1,101	1,763	170	(1,184)	(829)	1,675	7,666	(5,991) (78.2%)	911,150 \$ (909,475) (99.8%)	
Change in cash	531	(546)	3,854	(934)	(1,974)	(1,520)	16	661	670	(1,354)	355	(607)	(849)	92	(942) (1020.5%)	43,788 \$ (44,637) (101.9%)	
Ending cash	\$ 2,206	\$ 1,659	\$ 5,513	\$ 4,579	\$ 2,605	\$ 1,085	\$ 1,101	\$ 1,763	\$ 2,432	\$ (1,184)	\$ (829)	\$ (1,437)	\$ 826	\$ 7,758	\$ (6,933) (89.4%)	\$ 954,938 \$ (954,113) (99.9%)	

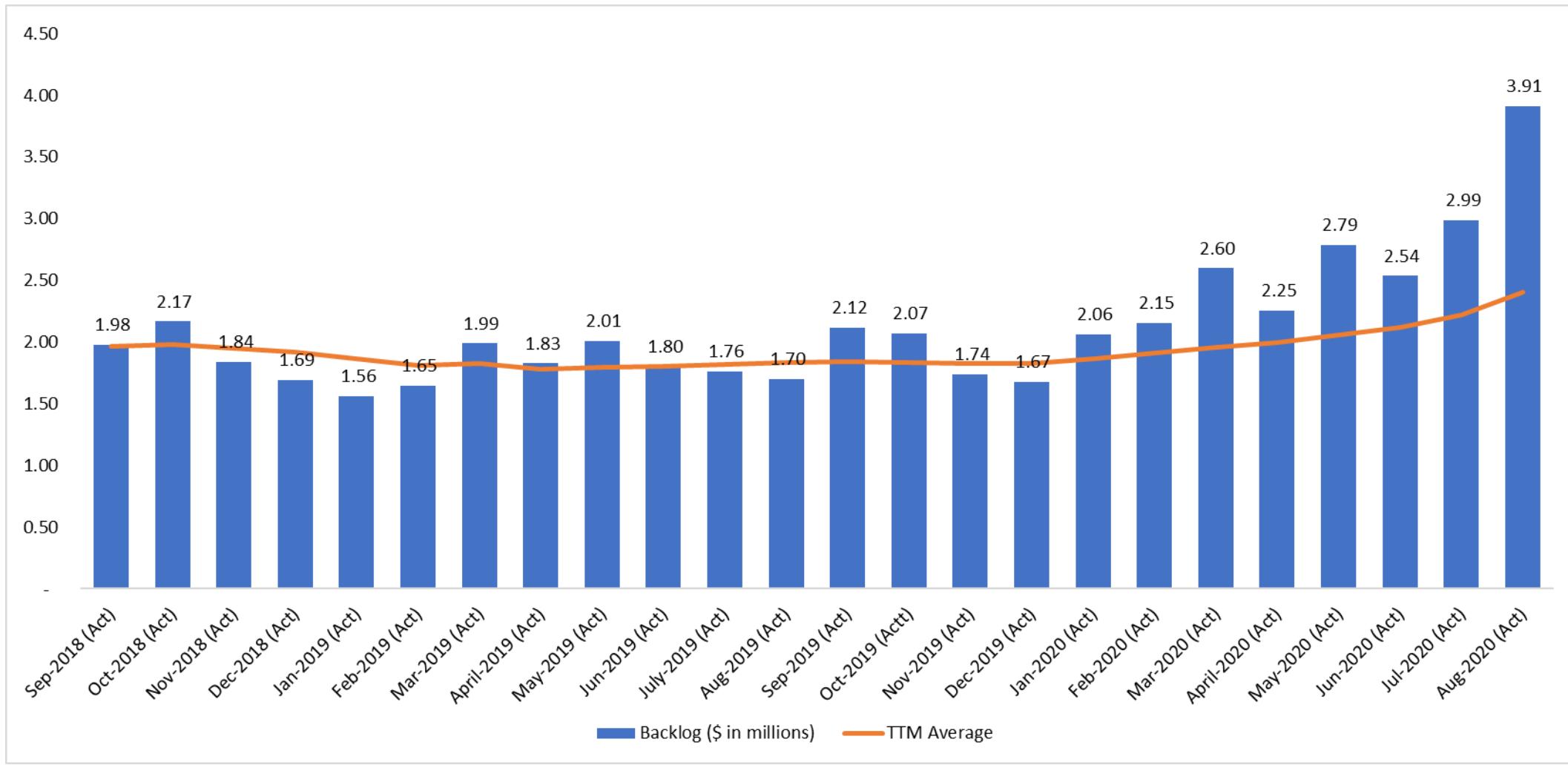
Consolidated Trended Monthly Bookings (24 month act)

\$ in millions



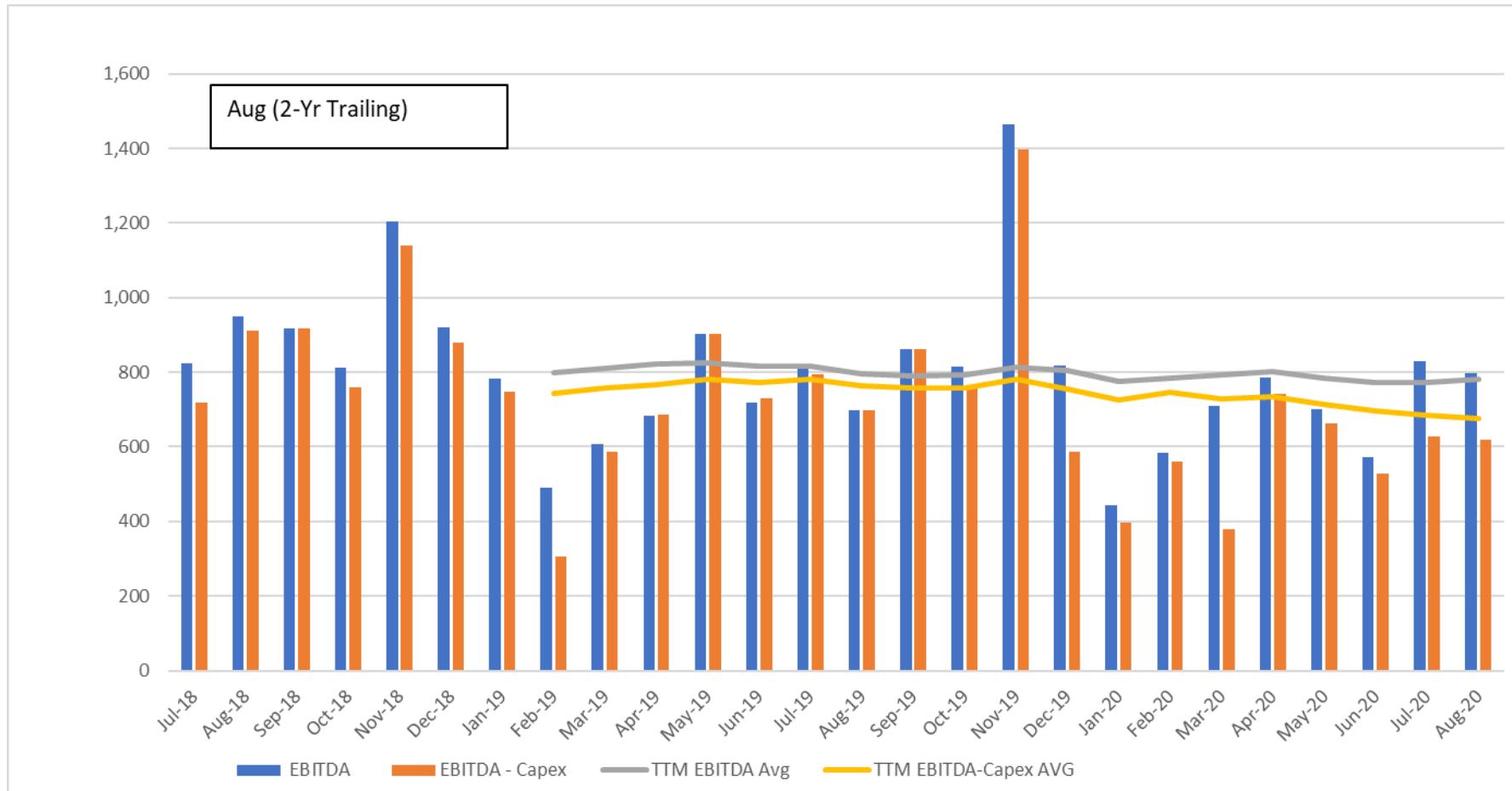
Consolidated Trended Monthly Backlog (24 month actual)

\$ in millions



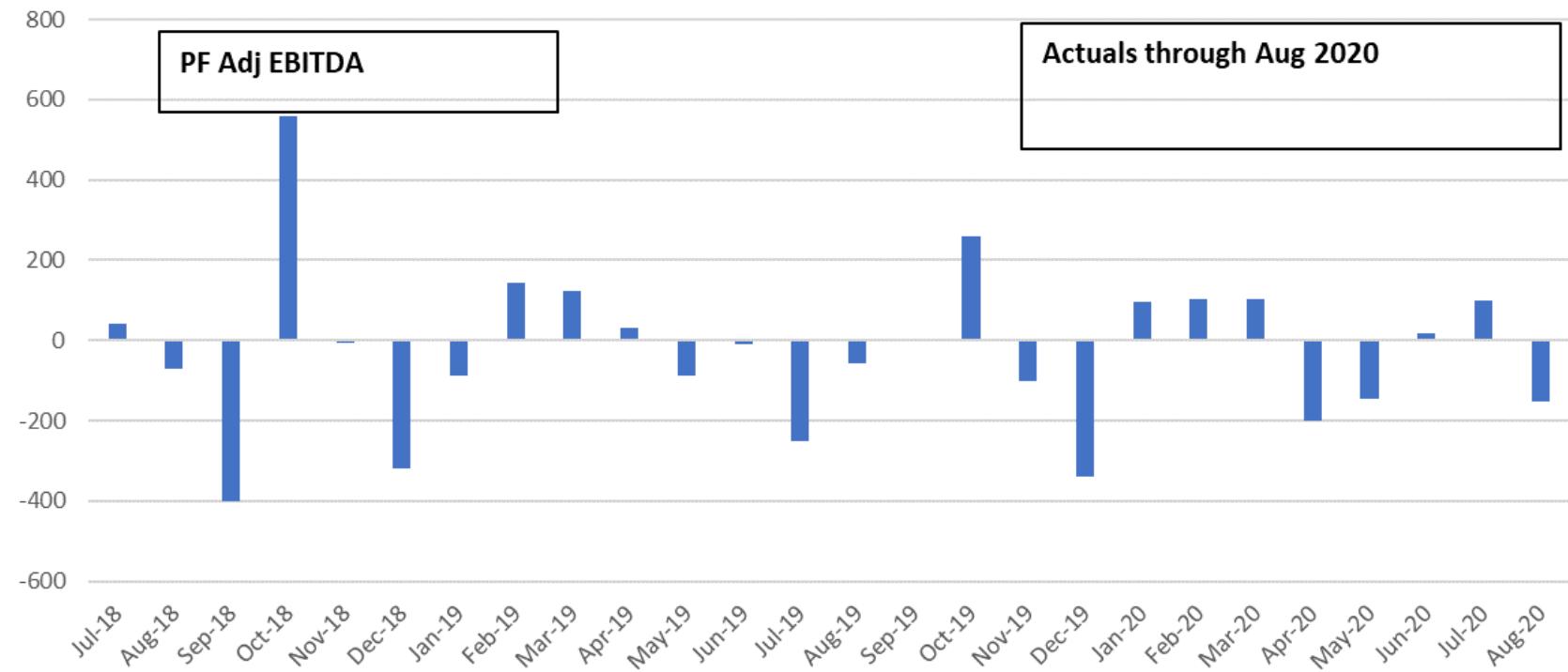
EBITDA and EBITDA-CapEx

\$ in millions



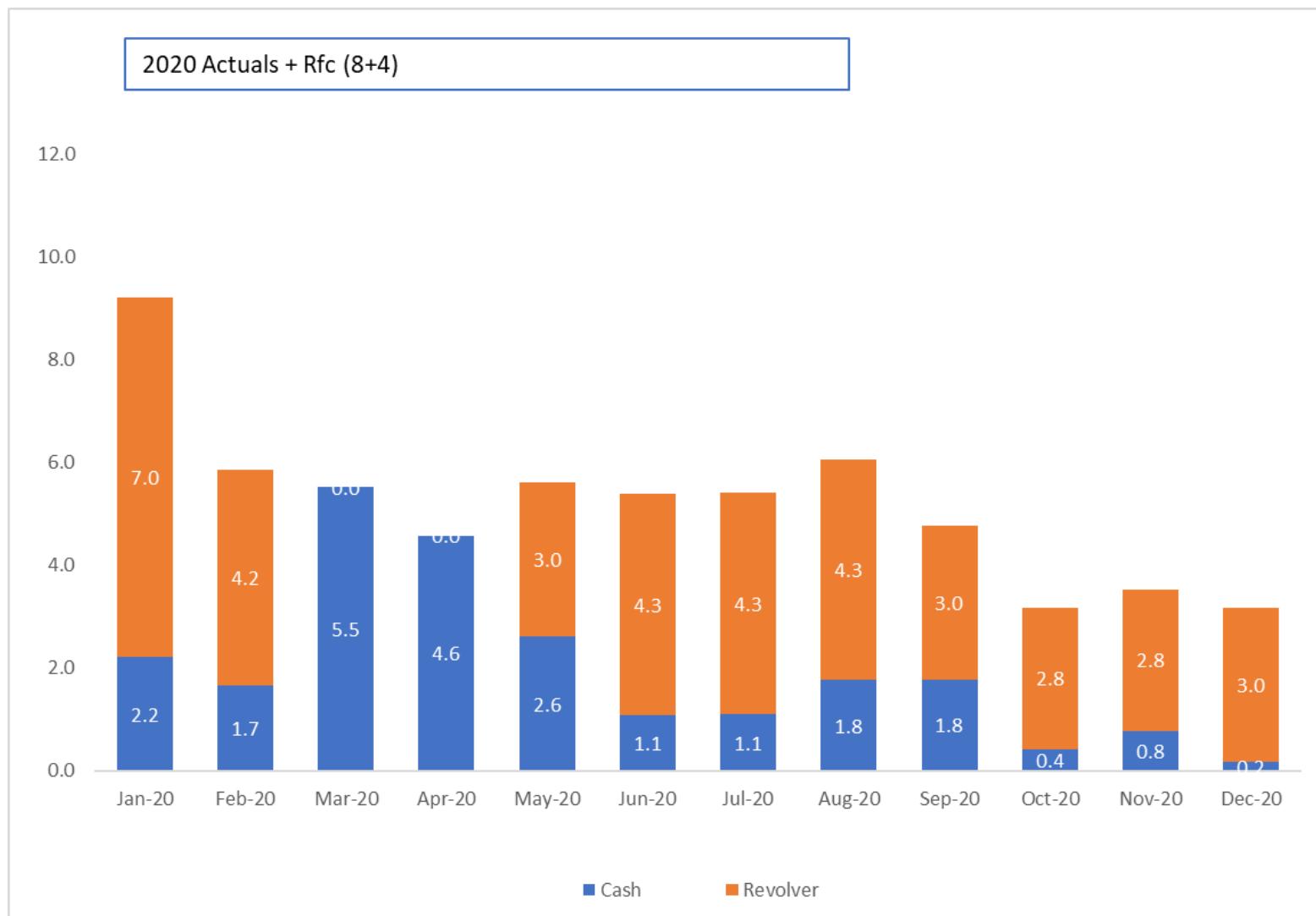
Consolidated Y-o-Y \$ EBITDA Change

\$ in thousands



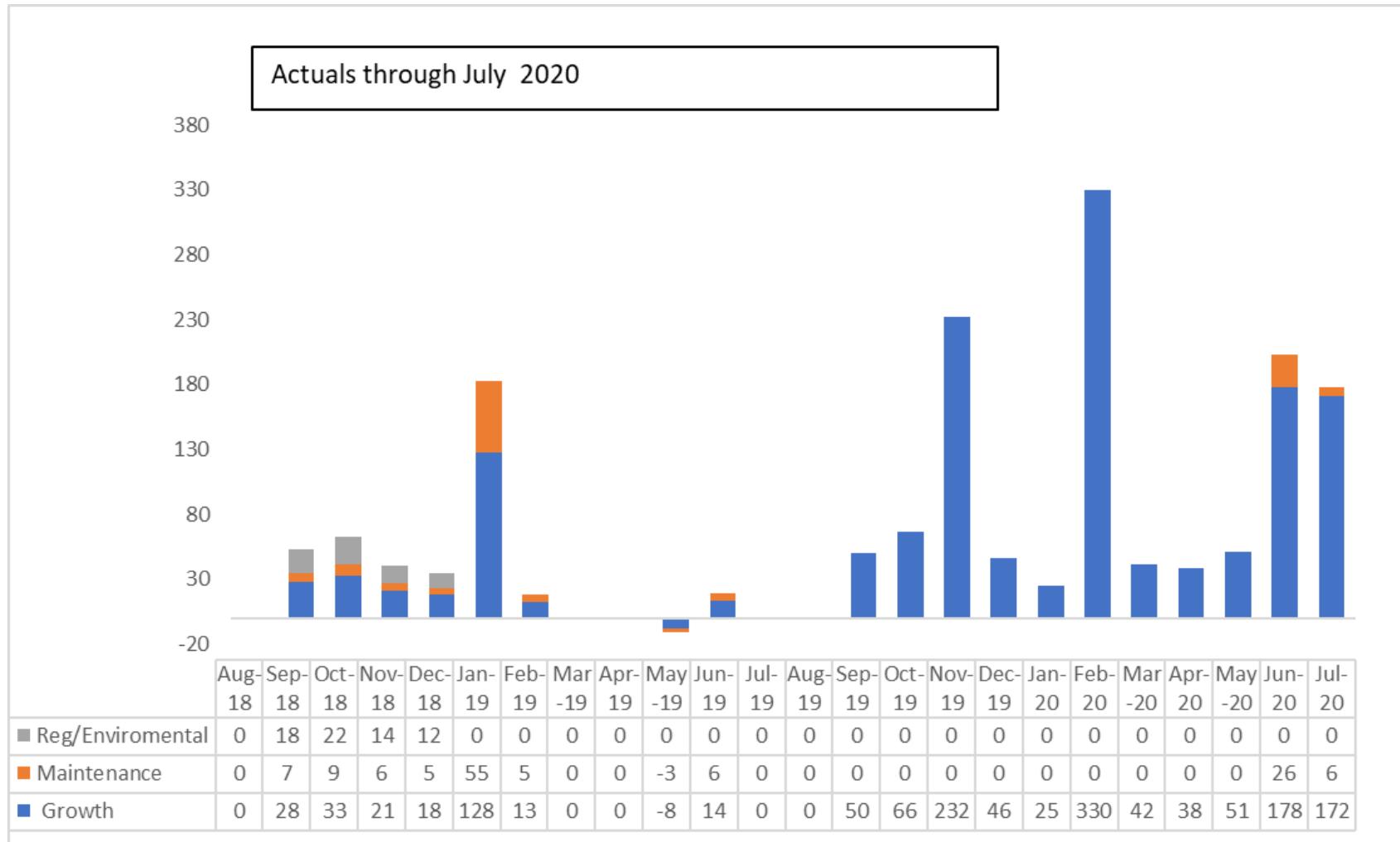
Consolidated Liquidity Forecast

\$ in millions



Capital Expenditures

\$ in thousands



Management and Governance

Governance Organization

Board of Managers

- Andrew Nikou
- Paul Bridwell
- Vinay Menon
- David Danelz

Audit Committee

- Shawn Haghghi
- Paul Bridwell
- Brad Schechtman

2020 Auditors

- Baker Tilly
- Yunis Altahami – Partner

Anonymous Hotline

- Navex is live via Duraco.ethicspoint.com

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:	None
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.	

Duraco Headcount Hires & Attrition

FUNCTIONAL AREA	START OF MONTH	Hires	IN VOLUNTARY TERM	VOLUNTARY TERM	END OF MONTH
Direct Labor	71	-	-	-	71
Operations - Hourly	7	-	-	-	7
Operations - Salary	19	-	-	-	19
Research & Development	2	-	-	-	2
Sales & Marketing	26		-	-	26
Administrative	13	-	-	-	13
Other	-	-	-	-	-
Agency FTE & Temps	-	-	-	-	-
Total Headcount	138	-	-	-	138

Notes

- No headcount movement in August

Infinity Headcount Hires & Attrition

FUNCTIONAL AREA	START OF MONTH	Hires	IN VOLUNTARY TERM	VOLUNTARY TERM	END OF MONTH
Direct Labor	20	-	-	-	20
Operations - Hourly	10	-	-	-	11
Operations - Salary	2	-	-	-	2
Research & Development	-	-	-	-	-
Sales & Marketing	2	-	-	-	2
Administrative	4	-	-	-	4
Other	-	-	-	-	-
Agency FTE & Temps	2	-	-	-	1
Total Headcount	40	-	-	-	40

Notes

- Headcount has remained the same MTD

Headcount Trending by Month

	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Direct Labor	78	77	78	77	76	75	75	74	73	71	71	71	71
Operations - Hourly	7	7	7	7	7	7	7	7	7	7	7	7	7
Operations - Salary	20	20	20	20	20	20	20	20	19	19	19	19	19
Research & Development	2	2	2	2	2	2	2	2	2	2	2	2	2
Sales & Marketing	24	26	27	23	23	23	23	24	24	24	25	26	26
Administrative	8	10	10	10	11	11	12	12	12	13	13	13	13
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency FTE & Temps	-	-	-	-	-	-	1	1	1	1	1	-	-
Total Headcount	139	142	144	139	139	138	140	140	138	137	138	138	138

Management Discussion

Duraco Open Positions:

- Active Recruits: Regional Sales Manager MW (1), Senior Process Engineer, Material Scientist, Associate Product Manager
- Positions on Hold Indefinitely: CS Supervisor



Thank You

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