



# Monthly Operating Review— May 2020

June 23<sup>rd</sup>, 2020

# Agenda

Call To Order & Approval of Minutes	(Mike G.)	1:30pm	10 minutes
Executive Summary	(Mark L., Libby Z. , Joey M.)	1:40pm	30 minutes
Financial Overview	(Milan V.)	2:10pm	40 minutes
Key Initiatives / Priorities	(Mark L., Libby Z. , Joey M.)	2:50pm	60 minutes
Committee Reports / Board Resolutions	(Board of Directors)	3:50pm	10 minutes
Board-Only Discussion	(Board of Directors)	4:00pm	30 minutes
Adjourn		4:30pm	

# May 2020 Operating Review

- ➔ Administrative (call to order, confirm APR MOR minutes, etc.)
- ➔ **Executive Summary**
- ➔ Financial Review
- ➔ Key initiatives
- ➔ Committee reports
- ➔ Appendix

# Executive Summary | Consolidated

## Summary review

- S&G continues to be impacted, ranging from a 15-40% shortfall to Plan in any given month since March, driven by regional shutdowns causing customer cash flow concerns and resultant project delays.
- Delaney and Premier continue to deliver at Plan levels with no evident commercial slowdown, however potential future performance impact due to supply chain and capacity constraints, respectively.

## Hits

- S&G and Premier continue to build strong month-over-month backlogs, averaging \$10.9M and \$2M, respectively. Although S&G has experienced measurable deferral of booked orders to later months, there are no unusual cancellations to date.
- Delaney continues to achieve Plan, with favorability driven in varied business segments (i.e. single-family, multi-family, eComm) month-over-month.

## Misses

- S&G failed to realize revenue from backlog and convert in-month order opportunities.
- Delaney manages through inventory shortages, due to supplier shutdown delays, with alternative products when feasible.
- Premier equipment maintenance challenges and personnel shortages are resulting in capacity constraints that directly impact the achievement of Plan revenue.

## Market outlook and expectations

- S&G experienced a possible “rock bottom” of a month in May. The June/July backlog is approximately \$6M with early indication by customers that orders will be realized. Additionally the opportunity pipeline, if realized, allows for the potential to realize Plan revenue over the next (2) months.
- Delaney and Premier continue to experience market demand at Plan levels. Although core customers and markets may have some measure of reduction, any possible shortfall has been overcome by organic growth/expansion.

## Focus and priorities

- S&G focused on increasing salesforce effectiveness, while providing a brand and product strategy to support the growth.
- Delaney focused on commercial growth in identified National Accounts while managing supplier concerns.
- Premier focused on deploying on a capital equipment plan, establishing the capacity necessary to deliver on near and long-term growth target.

## Risks

- S&G experiences on-going downturn in global market.
- Delaney supplier challenges impact performance to Plan.
- Premier capacity constraints impact performance to Plan.

# Executive Summary | Covid-19 Update

## OPERATIONS UPDATE:

### Operational Status:

- All divisions deemed essential business and all facilities in operation.

### Status of Infections:

- 4 infections (Premier)  
- 4 quarantined (Premier)

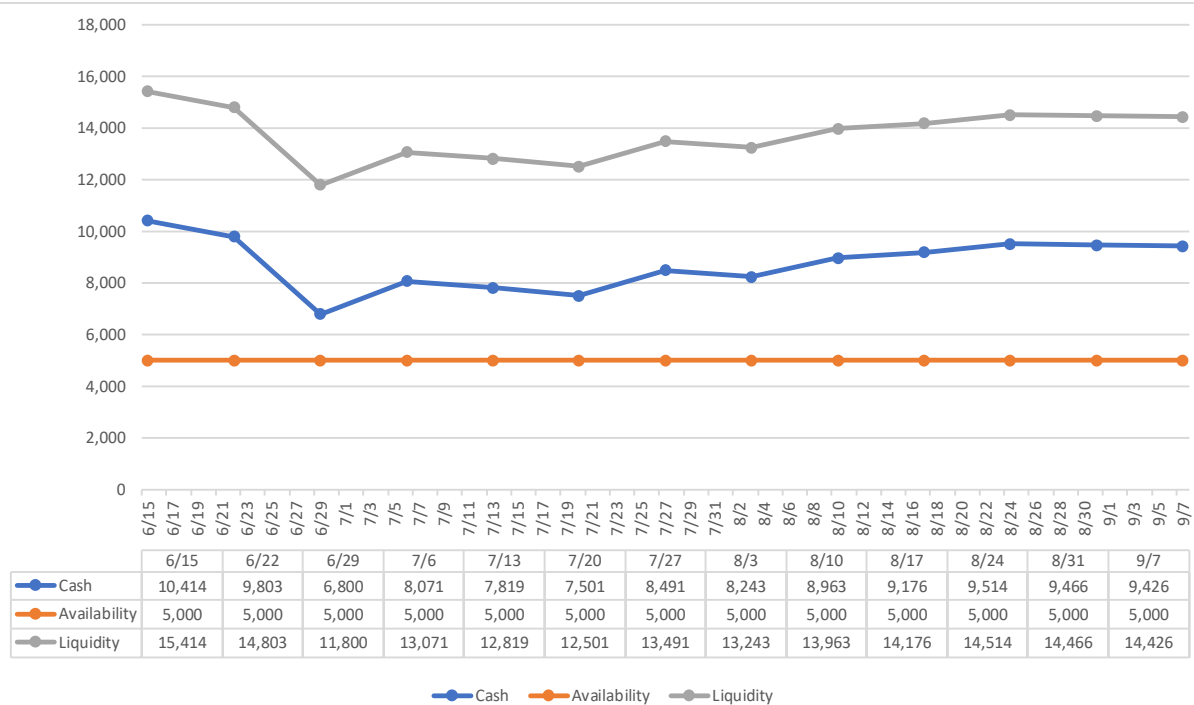
### Commercial Developments:

- S&G June projection at approximately (15%) of AOP Revenue with backlog to potentially lessen the gap with applied overtime.  
- Delaney at plan.  
- Premier planning for a 10% revenue shortfall in June due to machine failures and personnel issues. Backlog remains strong at \$2.7M.

### Key Developments:

- S&G: approximately 50% of existing backlog is scheduled for June and July. We are currently confirming demand from customer and evaluating production capacity needs.  
- Premier has had equipment failures, which have led to reduced output. Evaluating CAPEX and repair needs.

## Consolidated Cash Forecast and COVID-19 Response



## Main Assumptions:

### Revenue

- S&G reduced 30% vs AOP

### Cost Reduction

- \$454k S&G cost reductions in June  
- Headcount & Benefits Savings approx \$57k at Delaney & Premier.

### Collection/Receivables

- S&G DSO slowdown of ~15 days (from 45 to 60). NCR has also requested 90 days terms.

### Payments

- \$2.2mm principal & interest payment on term loan week of 6/29  
- \$0.5mm OGC monitoring fee week of 6/29  
- \$5M paydown of revolver completed on 6/3

## LIQUIDITY UPDATE & ACTION PLAN

### Cash Action Plan

June cost levers:

- \$314k Headcount & Benefits  
- \$37k Marketing  
- \$82k T&E  
- \$121k Inventory Purchasing

# Executive Summary | S&G

## Summary review

- May performance challenged in all areas, from Bookings of \$1.6M (43% of AOP) to Revenue of \$2.0M (63% of AOP).
  - Bookings shortfall driven from average low-value opportunities and delayed conversions. High-value projects in pipeline experiencing long sales cycle.
  - Revenue deferral of (\$570k) split between customer request and operational constraints.

## Hits

- Backlog favorable \$1.0M to AOP and \$1.2M to PY; bolstered by deferred orders, although June/July do trend heavy with Q1 Bookings.

## Misses

- Bookings unfavorable (\$2.5M)/-62% to AOP and (\$2.7M)/-63% to PY. Customer engagement is slowed due to business closures and project delays.
  - YTD Bookings at \$19.9M has fallen below Plan \$23.1M

## Market outlook and expectations

- APAC has demonstrated a phased reopening throughout Q2, resulting in base business escalation of Bookings; achieving 101% YTD-May Plan.
  - India OEM's (NCR, AGS) communications and opportunities are ramping up with notable conversions expected in Q3. Arya remains erratic in meeting order commitments, however released backlog in May.
- EMEA is slow to rebound, particularly Western Europe, operating between 60-75% of Plan in near-term outlook.
- LAG is the rising hotspot for COVID-19, generating a slippage in expected orders, regardless anticipate annual achievement to Plan.
- North America opportunity volume picking up, particularly in identification of new accounts. Core accounts beginning to show movement on base business orders. Outlooking to be within 10-15% of Plan in near-term.

## Focus and priorities

- Sales force effectiveness: Review, propose and action on critical roles (i.e. Industry Market Manager(s), Customer Relationship Rep(s)), execute on Value Selling framework training
- Operational objectives: Review, propose and action on critical roles (i.e. Chief Operating Officer, Customer Relationship Director, Supply Chain Manager), new keypad production launch, QUALITY
- New Product Development: Execute to NPD Pipeline plan – rationalize portfolio for current market

## Risks

- On-going impact of COVID-19 on hotspot regions and core customers toward realizing backlog and closing of long-term projects.
- Further delay on investment in identified critical roles will impact realization of future growth.

# Executive Summary | Delaney

## Summary review

- May net revenue up \$72k/2.3% to AOP and down (\$14k)/(0.4%) to PY.

## Hits

- Rohden Door placed first Barn Door container order for \$55K - \$600K annual opportunity
- New HM/Commercial Jobs landed in May – \$748K – start times span 2020 and into 2021
- Ecommerce YTD-May sales continue to track favorable \$368k/35% to AOP and \$642/84% to PY
- Landed \$57K Bravura project – Boca Raton Tennis Club

## Misses

- Inventory is getting tight for upcoming Multi-Family projects as the majority of this product comes out of the Philippines. To date we've only lost a couple backorders (\$15K), however we anticipate being forced to turn down projects which could result in ~\$100K in lost sales in July and August. Air Freight charges are unfavorable \$22K to AOP, however positive to PY by \$51K
- Northeast is slow to reopen due to COVID – which is reflected in unfavorable sales (\$268K)/(20%) vs PY
- Bravura sales unfavorable (\$135K)/(23.6%) vs. AOP

## Market outlook and expectations

- Multi-Family sales resilient, including active quoting and newly awarded projects – most are mid-rise properties located in smaller markets
- Single Family sales are flat, however considering the impact of Covid-19 with retail stores being closed and building supply companies adopting new business practices, this is encouraging
- Competitor lead times have extended to 4-6 weeks, with Baldwin up to 8 weeks which creates opportunity. Customers reported shortages and delayed shipments of lumber and other building materials. We continue to monitor those supply chain concerns on new home construction
- We anticipate that strong eCommerce sales and new strategic opportunities like the Barn Door Container business will help offset any decline in new construction for the balance of the year

## Focus and priorities

- Supply Chain: managing factory lead times, leveraging alternate suppliers, clearly communicating to internal and external customers
- Maintaining EPIC customer service levels: addressing staffing through Covid limitations and increased # of orders – 40% increase over 2019
- Product Manager/MF Smartlock Business Developer: Interviewing now to fill position in July. In discussions with a strong Sales & Business Development candidate to drive MF/HM sales in the West
- Strategic Growth Initiatives: driving growth through National Account programs, increased Builder focus and updated Bravura collaterals
- NetSuite Implementation: to begin within 2 weeks with a target go-live of early December

## Risks

- Supply Chain Issues/Backorders
  - Philippines plant shut down resulted in significant backorders; utilizing substitute products where possible but have lost opportunities on future jobs ~ \$60K - \$75K.
  - Extended lead times out of Premier and delays in order confirmations has created customer confidence issues for our HM/Commercial div.
  - General building supply shortages are causing delays in the construction cycle which could affect our products in Q3/Q4

# Executive Summary | Premier

## Summary review

- May sales were un-favorable to AOP by (\$152k)/(8.3%) and (\$57k)/(3.3%) to PY. EBITDA was up \$14k/2.8% to AOP and \$19k/4.0% to PY
- YTD sales favorable to AOP by \$204k/2.5% and \$628k/8.3% to PY
- Adjusted YTD EBITDA up \$477k to AOP and \$491k to PY

## Hits

- For the second month in a row, we received the largest single order in dollar terms in Premier's history. On May 14th we were awarded a \$1.46M order from SM beating out eight different US door companies.
- RM, a new account in Colorado, converted from Tell. Rec'd their first stock order of \$71k May 27th.
- Gross margins are strong and above forecast with favorable steel costs and product mix. Steel supply chains further solidified with favorable pricing through October.
- Order flow is still solid and backlog is up 175% year over year.

## Misses

- COVID-19 had minimal impact on operations and supply chains through much of May. However, Monroe, LA is reporting an increase in confirmed Covid-19 cases. Premier currently has 4 confirmed positives. Three of those were not due to exposure inside our facility and one is still being investigated. This has resulted in additional employees being quarantined and further eroded production efficiencies. As more businesses and communities re-open then new cases are likely to be reported.
- Mechanical breakdowns have been a hinderance since mid March. One press and shear have been repaired and two other presses taken out of service. Other presses are operational, but not fully functional. SMR contracted to assess viability of remaining repairs needed. Used CNC press previously ordered has been received and is in place. We are now awaiting tooling. Budgeted CAPEX and business case for additional spend is underway with Mark Wise.

## Market outlook and expectations

- Orders and RFQ's are still favorable. Strong sales have led to backlog increase of 175% through May. Our ability to fulfill orders is being hampered by people and machine related issues. We were able to meet March requirements because of a strong production during the first half of the month and in April because of existing stock. Both situations no longer exist. Productivity and capacity have decreased and stock inventory has been drawn down particularly as it relates to frames. The inventory draw down has further impeded capacity as more changeovers of the remaining manual machines we utilize are required to meet customer demand. Product demand remains strong and we will utilize overtime as much as possible to convert backlog and keep lead times minimized. However, current capabilities do not support growth targets or prior year production levels.



# Executive Summary | Premier Con't

## **Focus and priorities**

- Finalize our capex spend analysis with Mark Wise. An estimated \$1.6M spend will be needed but will confirm.
- Parts of the finish paint line and ovens are arriving, and we will need to get them installed and operational as quickly as possible.
- Complete the relocation of finished hardware to accommodate the new paint line
- Complete the reconfiguration of the finished door inventory storage area to allow increased stock levels and allow larger volume production runs.
- Begin onboarding Bob West, AHC, our new SBDM. His start date is July 15th.
- CNC Cincinnati press programmed and operational

## **Risks**

- COVID-19 related employee issues and potential for new shutdowns should cases continue to spike in NELA.
- Equipment constraints and/or continued machine failures and elongated lead times
- Construction climate is improved with some projects re-starting and it appears that overall sentiment is certainly better than two months ago. However, aside from MFH projects, the overall commercial climate is far below pre-Covid-19 levels.

# May 2020 Operating Review

- ➔ Administrative (call to order, confirm APR MOR minutes, etc.)
- ➔ Executive Summary
- ➔ **Financial Review**
- ➔ Key initiatives
- ➔ Committee reports
- ➔ Appendix

# Financial Review | Consolidated Summary P&L - MTD

\$'000	MTD		Variance		PY MTD		Variance	
	Act	Bud	\$	%	Act	\$	%	
<b>Net Revenue</b>	<b>6,741</b>	<b>8,002</b>	<b>(1,261)</b>	<b>(15.8%)</b>	<b>8,059</b>	<b>(1,318)</b>	<b>(16.4%)</b>	
Material	3,171	3,389	(217)	(6.4%)	3,556	(385)	(10.8%)	
Labor	780	952	(172)	(18.0%)	951	(171)	(18.0%)	
Other COGS	23	409	(386)	(94.4%)	352	(329)	(93.5%)	
<b>Total COGS</b>	<b>3,974</b>	<b>4,750</b>	<b>(775)</b>	<b>(16.3%)</b>	<b>4,859</b>	<b>(885)</b>	<b>(18.2%)</b>	
<b>Gross Margin</b>	<b>2,766</b>	<b>3,252</b>	<b>(485)</b>	<b>(14.9%)</b>	<b>3,200</b>	<b>(433)</b>	<b>(13.5%)</b>	
<i>Gross Margin %</i>	<i>41.0%</i>	<i>40.6%</i>			<i>39.7%</i>			
R&D	96	128	(31)	(24.6%)	109	(12)	(11.5%)	
Sales & Marketing	515	763	(248)	(32.5%)	636	(121)	(19.1%)	
Administrative	739	721	18	2.5%	754	(15)	(2.0%)	
Other Opex	—	—	—	N/A	—	—	N/A	
<b>Total Opex</b>	<b>1,350</b>	<b>1,612</b>	<b>(262)</b>	<b>(16.2%)</b>	<b>1,499</b>	<b>(149)</b>	<b>(9.9%)</b>	
<b>EBITDA</b>	<b>1,416</b>	<b>1,640</b>	<b>(224)</b>	<b>(13.7%)</b>	<b>1,701</b>	<b>(284)</b>	<b>(16.7%)</b>	
<i>EBITDA %</i>	<i>21.0%</i>	<i>20.5%</i>			<i>21.1%</i>			
<b>Adj. EBITDA</b>	<b>1,576</b>	<b>1,730</b>	<b>(153)</b>	<b>(8.9%)</b>	<b>1,701</b>	<b>(124)</b>	<b>(7.3%)</b>	
<i>Adj. EBITDA %</i>	<i>23.4%</i>	<i>21.6%</i>			<i>21.1%</i>			
<b>Net Income (Loss)</b>	<b>\$ (84)</b>	<b>\$ 383</b>	<b>\$ (467)</b>	<b>(121.9%)</b>	<b>\$ 1,123</b>	<b>\$ (1,207)</b>	<b>(107.5%)</b>	
Unincurred Standalone Costs	17	—	17	N/A				
<b>PF Adj EBITDA</b>	<b>\$ 1,559</b>	<b>\$ 1,730</b>	<b>\$ (170)</b>	<b>-9.8%</b>				
<i>PF Adj. EBITDA %</i>	<i>23.1%</i>	<i>21.6%</i>						

## Management Discussion

### vs. Budget

- May Revenue unfavorable (\$1.3M)
  - S&G: (\$1.2M)
  - Delaney: \$0.1M
  - Premier: (\$0.2M)
- May Gross Margin unfavorable (\$0.5M)
  - S&G: (\$0.5M)
  - Delaney: \$0.1M
  - Premier: Flat
- May Opex favorable \$0.3M
  - S&G: \$0.2M
  - Delaney: \$0.1M
  - Premier: Flat
- May Adj EBITDA unfavorable (\$0.2M)
  - S&G: (\$0.3M)
  - Delaney: \$0.2M
  - Premier: Flat

### vs PY

- May Revenue unfavorable (\$1.3M)
  - S&G: (\$1.2M)
  - Delaney: Flat
  - Premier: (\$0.1M)
- May Gross Margin unfavorable (\$0.4M)
  - S&G: (\$0.5M)
  - Delaney: \$0.1M
  - Premier: Flat
- May Opex favorable \$0.1M
  - S&G: \$0.1M
  - Delaney: Flat
  - Premier: Flat
- May Adj EBITDA unfavorable (\$0.1M)
  - S&G: (\$0.3M)
  - Delaney: \$0.1M
  - Premier: Flat

# Financial Review | Consolidated Summary P&L - YTD

\$'000	YTD		Var		PY YTD	Variance	
	Act	Bud	\$	%	Act	\$	%
<b>Net Revenue</b>	<b>38,489</b>	<b>41,318</b>	<b>(2,829)</b>	<b>(6.8%)</b>	<b>40,641</b>	<b>(2,152)</b>	<b>(5.3%)</b>
Material	17,074	17,555	(481)	(2.7%)	17,504	(430)	(2.5%)
Labor	4,598	5,075	(477)	(9.4%)	4,833	(234)	(4.9%)
Other COGS	1,980	2,193	(212)	(9.7%)	2,062	(82)	(4.0%)
<b>Total COGS</b>	<b>23,653</b>	<b>24,823</b>	<b>(1,170)</b>	<b>(4.7%)</b>	<b>24,398</b>	<b>(746)</b>	<b>(3.1%)</b>
<b>Gross Margin</b>	<b>14,836</b>	<b>16,496</b>	<b>(1,659)</b>	<b>(10.1%)</b>	<b>16,243</b>	<b>(1,407)</b>	<b>(8.7%)</b>
<i>Gross Margin %</i>	<i>38.5%</i>	<i>39.9%</i>			<i>40.0%</i>		
R&D	786	1,121	(335)	(29.9%)	566	220	38.9%
Sales & Marketing	3,485	4,501	(1,016)	(22.6%)	3,382	103	3.0%
Administrative	4,252	3,964	288	7.3%	3,969	283	7.1%
Other Opex	—	—	—	N/A	—	—	N/A
<b>Total Opex</b>	<b>8,522</b>	<b>9,586</b>	<b>(1,064)</b>	<b>(11.1%)</b>	<b>7,916</b>	<b>606</b>	<b>7.7%</b>
<b>EBITDA</b>	<b>6,315</b>	<b>6,910</b>	<b>(595)</b>	<b>(8.6%)</b>	<b>8,327</b>	<b>(2,012)</b>	<b>(24.2%)</b>
<i>EBITDA %</i>	<i>16.4%</i>	<i>16.7%</i>			<i>20.5%</i>		
<b>Adj. EBITDA</b>	<b>7,587</b>	<b>8,163</b>	<b>(576)</b>	<b>(7.1%)</b>	<b>8,327</b>	<b>(739)</b>	<b>(8.9%)</b>
<i>Adj. EBITDA %</i>	<i>19.7%</i>	<i>19.8%</i>			<i>20.5%</i>		
<b>Net Income (Loss)</b>	<b>\$ (1,550)</b>	<b>\$ 218</b>	<b>\$ (1,767)</b>	<b>(812.5%)</b>	<b>\$ 5,517</b>	<b>\$ (7,067)</b>	<b>(128.1%)</b>
Unincurred Standalone Costs	137	20	117	585.0%			
<b>PF Adj EBITDA</b>	<b>\$ 7,450</b>	<b>\$ 8,143</b>	<b>\$ (693)</b>	<b>-8.5%</b>			
<i>PF Adj. EBITDA %</i>	<i>19.4%</i>	<i>19.7%</i>					

## Management Discussion

### vs. Budget

- YTD Revenue unfavorable (\$2.8M)
  - S&G: (\$3.5M)
  - Delaney: \$0.4M
  - Premier: \$0.2M
- YTD Gross Margin unfavorable (\$1.7M)
  - S&G: (\$2.4M)
  - Delaney: \$0.2M
  - Premier: \$0.5M
- YTD Opex favorable \$1.1M
  - S&G: \$0.9M
  - Delaney: \$0.1M
  - Premier: Flat
- YTD Adj EBITDA unfavorable (\$0.6M)
  - S&G: (\$1.5M)
  - Delaney: \$0.5M
  - Premier: \$0.5M

### vs PY

- YTD Revenue unfavorable (\$2.2M)
  - S&G: (\$4.0M)
  - Delaney: \$1.2M
  - Premier: \$0.6M
- YTD Gross Margin unfavorable (\$1.4M)
  - S&G: (\$2.8M)
  - Delaney: \$0.8M
  - Premier: \$0.6M
- YTD Opex unfavorable (\$0.6M)
  - S&G: (\$0.4M)
  - Delaney: (\$0.1M)
  - Premier: (0.1M)
- YTD Adj EBITDA unfavorable (\$0.7M)
  - S&G: (\$2.0M)
  - Delaney: \$0.8M
  - Premier: \$0.5M

# Financial Review | S&G Summary P&L - MTD

\$'000	MTD		Variance		PY MTD		Variance	
	Act	Bud	\$	%	Act	\$	%	
<b>Net Revenue</b>	<b>2,001</b>	<b>3,189</b>	<b>(1,188)</b>	<b>(37.3%)</b>	<b>3,235</b>	<b>(1,234)</b>	<b>(38.1%)</b>	
Material	979	1,108	(129)	(11.7%)	1,169	(191)	(16.3%)	
Labor	368	527	(159)	(30.2%)	543	(175)	(32.3%)	
Other COGS	(157)	199	(357)	(178.9%)	168	(325)	(193.6%)	
<b>Total COGS</b>	<b>1,189</b>	<b>1,834</b>	<b>(645)</b>	<b>(35.2%)</b>	<b>1,881</b>	<b>(691)</b>	<b>(36.8%)</b>	
<b>Gross Margin</b>	<b>812</b>	<b>1,355</b>	<b>(543)</b>	<b>(40.1%)</b>	<b>1,354</b>	<b>(542)</b>	<b>(40.0%)</b>	
<i>Gross Margin %</i>	<b>40.6%</b>	42.5%			41.9%			
R&D	96	128	(31)	(24.6%)	109	(12)	(11.5%)	
Sales & Marketing	248	447	(199)	(44.5%)	305	(57)	(18.7%)	
Administrative	262	197	65	32.9%	306	(45)	(14.6%)	
Other Opex	–	–	–	N/A	–	–	N/A	
<b>Total Opex</b>	<b>606</b>	<b>772</b>	<b>(166)</b>	<b>(21.5%)</b>	<b>720</b>	<b>(114)</b>	<b>(15.8%)</b>	
<b>EBITDA</b>	<b>206</b>	<b>583</b>	<b>(377)</b>	<b>(64.7%)</b>	<b>634</b>	<b>(428)</b>	<b>(67.5%)</b>	
<i>EBITDA %</i>	10.3%	18.3%			19.6%			
<b>Adj. EBITDA</b>	<b>353</b>	<b>672</b>	<b>(319)</b>	<b>(47.5%)</b>	<b>634</b>	<b>(280)</b>	<b>(44.3%)</b>	
<i>Adj. EBITDA %</i>	17.7%	21.1%			19.6%			
<b>Net Income (Loss)</b>	<b>\$ (1,015)</b>	<b>\$ (172)</b>	<b>\$ (843)</b>	<b>490.5%</b>	<b>\$ 535</b>	<b>\$ (1,550)</b>	<b>(289.8%)</b>	
	<b>\$ 147.6</b>	<b>\$ 89.3</b>						
Unincurred Standalone Costs	17	–	17	N/A				
<b>PF Adj EBITDA</b>	<b>\$ 336</b>	<b>\$ 672</b>	<b>\$ (336)</b>	<b>-50.0%</b>				
<i>PF Adj. EBITDA %</i>	16.8%	21.1%						

## Management Discussion

Unfavorable Revenue to AOP due to APAC less India (\$0.5M), North America (\$0.5M), EMEA (\$0.3M). India was up \$0.1M

Unfavorable Revenue to PY due to APAC less India (\$0.4M), North America (\$1.1M), EMEA (\$0.1M), LATAM (\$0.2M). India was up \$0.5M due to Arya.

Gross margin as % of sales unfavorable to AOP and PY due to mix.

Opex favorable to AOP \$166k driven by Commission \$47k, T&E \$47k, Bonus \$47k, Marketing \$11k due to spending control, and sales training \$15k, partially offset by IT (\$14k) due to TSA extension and Professional fees (\$12k) overspend due to outside consultants.

Opex favorable to PY \$114k driven by Commission \$37k, T&E \$20k, Benefits \$48k, insurance of \$25k mapped to COGS in 2020, patent expense of \$6k, and \$37k of selling expense, partially offset by Bad Debt of (\$24k) due to a credit last year, not repeated in 2020.

# Financial Review | S&G Summary P&L - YTD

	YTD		Var		PY YTD		Variance	
	Act	Bud	\$	%	Act	\$	%	
<b>Net Revenue</b>	<b>14,320</b>	<b>17,804</b>	<b>(3,485)</b>	<b>(19.6%)</b>	<b>18,349</b>	<b>(4,030)</b>	<b>(22.0%)</b>	
Material	5,676	6,267	(590)	(9.4%)	6,435	(759)	(11.8%)	
Labor	2,496	2,909	(413)	(14.2%)	2,885	(389)	(13.5%)	
Other COGS	1,005	1,084	(79)	(7.3%)	1,089	(85)	(7.8%)	
<b>Total COGS</b>	<b>9,177</b>	<b>10,260</b>	<b>(1,083)</b>	<b>(10.6%)</b>	<b>10,410</b>	<b>(1,233)</b>	<b>(11.8%)</b>	
<b>Gross Margin</b>	<b>5,142</b>	<b>7,545</b>	<b>(2,402)</b>	<b>(31.8%)</b>	<b>7,939</b>	<b>(2,797)</b>	<b>(35.2%)</b>	
<i>Gross Margin %</i>	<b>35.9%</b>	42.4%			43.3%			
R&D	786	1,121	(335)	(29.9%)	566	220	38.9%	
Sales & Marketing	1,717	2,685	(968)	(36.1%)	1,638	79	4.8%	
Administrative	1,782	1,414	368	26.0%	1,704	77	4.5%	
Other Opex	—	—	—	N/A	—	—	N/A	
<b>Total Opex</b>	<b>4,285</b>	<b>5,220</b>	<b>(936)</b>	<b>(17.9%)</b>	<b>3,908</b>	<b>376</b>	<b>9.6%</b>	
<b>EBITDA</b>	<b>858</b>	<b>2,324</b>	<b>(1,467)</b>	<b>(63.1%)</b>	<b>4,031</b>	<b>(3,173)</b>	<b>(78.7%)</b>	
<i>EBITDA %</i>	6.0%	13.1%			22.0%			
<b>Adj. EBITDA</b>	<b>2,065</b>	<b>3,578</b>	<b>(1,513)</b>	<b>(42.3%)</b>	<b>4,031</b>	<b>(1,966)</b>	<b>(48.8%)</b>	
<i>Adj. EBITDA %</i>	14.4%	20.1%			22.0%			
<b>Net Income (Loss)</b>	<b>\$ (5,837)</b>	<b>\$ (1,976)</b>	<b>\$ (3,861)</b>	<b>195.4%</b>	<b>\$ 3,521</b>	<b>\$ (9,358)</b>	<b>(265.8%)</b>	
	<b>\$ 1,207.4</b>	<b>\$ 1,253.6</b>						
Unincurred Standalone Costs	137	20	117	585.0%				
<b>PF Adj EBITDA</b>	<b>\$ 1,928</b>	<b>\$ 3,558</b>	<b>\$ (1,630)</b>	<b>-45.8%</b>				
<i>PF Adj. EBITDA %</i>	13.5%	20.0%						

## Management Discussion

Unfavorable Revenue to AOP due to APAC less India (\$0.9M), North America (\$0.5M), EMEA (\$0.7M), and LATAM (\$0.6M). India was down (\$0.7M).

Unfavorable Revenue to PY due to North America (\$1.5M), EMEA (\$0.4M), Gov't (\$0.7M), LATAM (\$0.6M) and APAC less India (\$0.1M). India was down (\$0.8M) due to NCR.

Gross margin as % of sales unfavorable to AOP due to standard cost roll (\$0.2M), Consulting costs (\$0.2M), Warranty (\$0.1M), Absorption (\$0.4M).

Gross margin as % of sales unfavorable to PY due to absorption (\$0.8M) and Consulting costs (\$0.2M).

Opex favorable to AOP \$936k driven by Bonus \$147k, Marketing \$207k, T&E, \$175k, Professional Fees \$237k, Payroll & Benefits \$134k due to open positions and sales training of \$160k, partially offset by IT (\$145k) partially due to NetSuite implementation overage.

Opex unfavorable to PY (\$376k) driven by Professional Fees (\$554k) due to outside consultants and legal fees, primarily all 1x costs and IT (\$323k) driven by NetSuite implementation partially offset by insurance of \$118k mapped to COGS in 2020, benefits \$255k, Commission \$50k, Marketing \$54k and T&E \$33k

# Financial Review | S&G 1X Costs

	May				YTD			
	Actual	Bud	Var	% Chg	Actual	Bud	Var	% Chg
<b>Engineering</b>	-	28	(28)	-100.0%	63	503	(440)	-87.6%
Market Parity	-	28	(28)	-100.0%	-	318	(318)	-100.0%
OGX	-	-	-	N/A	54	185	(131)	-70.7%
Six Sigma Training	-	-	-	N/A	9	-	9	N/A
<b>Marketing</b>	2	25	(24)	-94.0%	101	360	(259)	-72.0%
Brand Refresh	2	10	(9)	-85.0%	59	320	(261)	-81.6%
Ecommerce	-	10	(10)	-100.0%	24	30	(6)	-20.0%
Market Parity	-	5	(5)	N/A	18	10	8	80.0%
<b>Sales</b>	19	-	19	N/A	49	-	49	N/A
SmartVentures	-	-	-	N/A	30	-	30	N/A
Wise Strategies	19	-	19	N/A	19	-	19	N/A
<b>Admin</b>	82	22	60	276.3%	738	466	272	58.3%
Legal Services (policy reviews)	-	-	-	N/A	-	20	(20)	-100.0%
HR Consultant	-	-	-	N/A	40	23	18	79.4%
Recruiting Fees	-	-	-	N/A	41	73	(32)	-44.3%
NetSuite Reports Consulting	6	6	(0)	-0.9%	27	34	(7)	-20.5%
TSA	59	13	46	348.4%	331	176	155	88.2%
Planned Engineering Separation Project Start	-	-	-	N/A	-	40	(40)	-100.0%
IT Services - Transition Support	5	3	3	100.0%	33	41	(8)	-19.2%
RSM Consulting	-	-	-	N/A	165	60	105	174.4%
Six Sigma Training	-	-	-	N/A	11	-	11	N/A
KPMG Consulting	-	-	-	N/A	20	-	20	N/A
Board Member Fees	12	-	12	N/A	71	-	71	N/A
<b>Manufacturing</b>	45	15	30	200.0%	197	55	142	259.0%
Quality Consulting	45	-	45	N/A	179	-	179	N/A
SmartVentures-Supply Chain Optimization	-	-	-	N/A	79	-	79	N/A
Kaizen Training	-	15	(15)	N/A	-	55	(55)	-100.0%
<b>Total</b>	<b>148</b>	<b>89</b>	<b>58</b>	<b>65.3%</b>	<b>1,133</b>	<b>1,384</b>	<b>(251)</b>	<b>-18.2%</b>

# Financial Review | Delaney Summary P&L - MTD

\$'000	MTD		Variance		PY MTD	Variance	
	Act	Bud	\$	%		\$	%
<b>Net Revenue</b>	<b>3,172</b>	<b>3,100</b>	<b>72</b>	<b>2.3%</b>	<b>3,186</b>	<b>(14)</b>	<b>(0.4%)</b>
Material	1,651	1,613	38	2.4%	1,754	(102)	(5.8%)
Labor	74	104	(30)	(29.0%)	78	(4)	(5.5%)
Other COGS	178	181	(3)	(1.5%)	162	16	10.0%
<b>Total COGS</b>	<b>1,903</b>	<b>1,897</b>	<b>6</b>	<b>0.3%</b>	<b>1,993</b>	<b>(90)</b>	<b>(4.5%)</b>
<b>Gross Margin</b>	<b>1,269</b>	<b>1,202</b>	<b>66</b>	<b>5.5%</b>	<b>1,192</b>	<b>77</b>	<b>6.4%</b>
<i>Gross Margin %</i>	<i>40.0%</i>	<i>38.8%</i>			<i>37.4%</i>		
Sales & Marketing	194	254	(60)	(23.6%)	268	(73)	(27.4%)
Administrative	359	372	(13)	(3.6%)	333	25	7.6%
<b>Total Opex</b>	<b>553</b>	<b>627</b>	<b>(73)</b>	<b>(11.7%)</b>	<b>601</b>	<b>(48)</b>	<b>(8.0%)</b>
<b>EBITDA</b>	<b>716</b>	<b>576</b>	<b>140</b>	<b>24.3%</b>	<b>591</b>	<b>124</b>	<b>21.1%</b>
<i>EBITDA %</i>	<i>22.6%</i>	<i>18.6%</i>			<i>18.6%</i>		
<b>Adj. EBITDA</b>	<b>728</b>	<b>576</b>	<b>152</b>	<b>26.5%</b>	<b>591</b>	<b>137</b>	<b>23.2%</b>
<i>Adj. EBITDA %</i>	<i>23.0%</i>	<i>18.6%</i>			<i>18.6%</i>		
<b>Net Income (Loss)</b>	<b>\$ 449</b>	<b>\$ 239</b>	<b>\$ 210</b>	<b>88.1%</b>	<b>\$ 188</b>	<b>\$ 261</b>	<b>138.8%</b>

## Management Discussion

Net Revenue favorable to AOP due to continued strong sales in Online and MF.

Gross Revenue down (\$138k) vs PY but offset by favorable returns and tariff surcharge, which resulted in net revenue only being down (\$14k). Gross Revenue down (\$138k) due to two less billing days vs PY.

Gross margin as % of sales favorable to AOP due to favorable mix (less HM sales, higher online sales) and lower labor/unfilled positions.

Gross margin as % of sales favorable to PY driven by tariff surcharge and favorable mix (less HM sales, higher online sales) and lower labor/unfilled positions.

Opex favorable to AOP \$73k driven by Marketing spend control \$44k, T&E \$15k and Payroll \$14k due to unfilled positions.

Opex favorable to PY \$48k driven by Marketing spend control \$51k, Commissions \$15k due to lower sales, partially offset by Payroll (\$17k) due to higher headcount.



# Financial Review | Delaney Summary P&L - YTD

\$'000

	YTD		Var		PY YTD	Variance	
	Act	Bud	\$	%	Act	\$	%
<b>Net Revenue</b>	<b>16,632</b>	<b>16,238</b>	<b>395</b>	<b>2.4%</b>	<b>15,462</b>	<b>1,170</b>	<b>7.6%</b>
Material	8,812	8,566	246	2.9%	8,546	267	3.1%
Labor	387	484	(97)	(20.1%)	380	7	1.9%
Other COGS	945	948	(3)	(0.3%)	843	102	12.1%
<b>Total COGS</b>	<b>10,144</b>	<b>9,998</b>	<b>146</b>	<b>1.5%</b>	<b>9,769</b>	<b>375</b>	<b>3.8%</b>
<b>Gross Margin</b>	<b>6,488</b>	<b>6,240</b>	<b>249</b>	<b>4.0%</b>	<b>5,694</b>	<b>795</b>	<b>14.0%</b>
<i>Gross Margin %</i>	<i>39.0%</i>	<i>38.4%</i>			<i>36.8%</i>		
Sales & Marketing	1,380	1,546	(167)	(10.8%)	1,426	(47)	(3.3%)
Administrative	1,843	1,824	18	1.0%	1,712	131	7.6%
<b>Total Opex</b>	<b>3,222</b>	<b>3,371</b>	<b>(148)</b>	<b>(4.4%)</b>	<b>3,138</b>	<b>84</b>	<b>2.7%</b>
<b>EBITDA</b>	<b>3,266</b>	<b>2,869</b>	<b>397</b>	<b>13.8%</b>	<b>2,556</b>	<b>710</b>	<b>27.8%</b>
<i>EBITDA %</i>	<i>19.6%</i>	<i>17.7%</i>			<i>16.5%</i>		
<b>Adj. EBITDA</b>	<b>3,329</b>	<b>2,869</b>	<b>460</b>	<b>16.0%</b>	<b>2,556</b>	<b>773</b>	<b>30.2%</b>
<i>Adj. EBITDA %</i>	<i>20.0%</i>	<i>17.7%</i>			<i>16.5%</i>		
<b>Net Income (Loss)</b>	<b>\$ 2,158</b>	<b>\$ 1,188</b>	<b>\$ 970</b>	<b>81.7%</b>	<b>\$ 607</b>	<b>\$ 1,551</b>	<b>255.5%</b>

## Management Discussion

Net Revenue favorable to AOP and PY due to continued strong sales in Online and MF. Online up 35% to AOP and 83% to PY.

Gross margin as % of sales favorable to AOP driven by lower labor cost due to unfilled positions.

Gross margin as % of sales favorable to PY driven by tariff surcharge and favorable mix (less HM sales, higher online sales) and lower labor/unfilled positions.

Opex favorable to AOP \$148k driven by Marketing spend control \$93k, T&E \$53k

Opex unfavorable to PY (\$84k) driven by payroll (\$118k), Professional Fees due to timing of audit bills (\$38k), partially offset by Marketing \$23k, and T&E \$37k

# Financial Review | Premier Summary P&L - MTD

\$'000

	MTD		Variance		PY MTD	Variance	
	Act	Bud	\$	%	Act	\$	%
<b>Net Revenue</b>	<b>1,680</b>	<b>1,832</b>	<b>(152)</b>	<b>(8.3%)</b>	<b>1,737</b>	<b>(57)</b>	<b>(3.3%)</b>
Material	653	786	(134)	(17.0%)	731	(78)	(10.7%)
Labor	339	321	17	5.4%	330	9	2.7%
Other COGS	2	30	(27)	(91.7%)	22	(20)	(89.1%)
<b>Total COGS</b>	<b>994</b>	<b>1,137</b>	<b>(143)</b>	<b>(12.6%)</b>	<b>1,083</b>	<b>(89)</b>	<b>(8.2%)</b>
<b>Gross Margin</b>	<b>686</b>	<b>695</b>	<b>(9)</b>	<b>(1.2%)</b>	<b>654</b>	<b>32</b>	<b>4.9%</b>
<i>Gross Margin %</i>	<b>40.8%</b>	37.9%			37.6%		
Sales & Marketing	72	61	11	18.1%	63	9	14.1%
Administrative	119	152	(33)	(21.9%)	115	4	3.7%
<b>Total Opex</b>	<b>191</b>	<b>213</b>	<b>(22)</b>	<b>(10.5%)</b>	<b>178</b>	<b>13</b>	<b>7.4%</b>
<b>EBITDA</b>	<b>495</b>	<b>481</b>	<b>14</b>	<b>2.8%</b>	<b>476</b>	<b>19</b>	<b>4.0%</b>
<i>EBITDA %</i>	29.5%	26.3%			27.4%		
<b>Adj. EBITDA</b>	<b>495</b>	<b>481</b>	<b>14</b>	<b>2.8%</b>	<b>476</b>	<b>19</b>	<b>4.0%</b>
<i>Adj. EBITDA %</i>	29.5%	26.3%			27.4%		
<b>Net Income (Loss)</b>	<b>\$ 483</b>	<b>\$ 317</b>	<b>\$ 166</b>	<b>52.4%</b>	<b>\$ 400</b>	<b>\$ 83</b>	<b>20.7%</b>

## Management Discussion

Net Revenue unfavorable to AOP and PY equipment failures and plant personnel spacing leading to productivity issues.

Gross margin as % of sales favorable to AOP and PY due to favorable material costs and mix.

Even with miss on topline, EBITDA favorable vs AOP and PY due to favorable margin.

# Premier Financial Review | Premier Summary P&L - YTD

\$'000

	YTD		Var		PY YTD	Variance	
	Act	Bud	\$	%	Act	\$	%
<b>Net Revenue</b>	<b>8,225</b>	<b>8,021</b>	<b>204</b>	<b>2.5%</b>	<b>7,597</b>	<b>628</b>	<b>8.3%</b>
Material	3,273	3,467	(194)	(5.6%)	3,327	(54)	(1.6%)
Labor	1,715	1,682	34	2.0%	1,567	148	9.4%
Other COGS	31	161	(130)	(80.7%)	130	(99)	(76.0%)
<b>Total COGS</b>	<b>5,019</b>	<b>5,310</b>	<b>(291)</b>	<b>(5.5%)</b>	<b>5,024</b>	<b>(5)</b>	<b>(0.1%)</b>
<b>Gross Margin</b>	<b>3,206</b>	<b>2,711</b>	<b>494</b>	<b>18.2%</b>	<b>2,573</b>	<b>633</b>	<b>24.6%</b>
<i>Gross Margin %</i>	<i>39.0%</i>	<i>33.8%</i>			<i>33.9%</i>		
Sales & Marketing	388	269	118	44.0%	317	70	22.1%
Administrative	627	726	(99)	(13.6%)	553	75	13.5%
<b>Total Opex</b>	<b>1,015</b>	<b>995</b>	<b>20</b>	<b>2.0%</b>	<b>870</b>	<b>145</b>	<b>16.7%</b>
<b>EBITDA</b>	<b>2,191</b>	<b>1,716</b>	<b>475</b>	<b>27.6%</b>	<b>1,703</b>	<b>488</b>	<b>28.6%</b>
<i>EBITDA %</i>	<i>26.6%</i>	<i>21.4%</i>			<i>22.4%</i>		
<b>Adj. EBITDA</b>	<b>2,194</b>	<b>1,716</b>	<b>477</b>	<b>27.8%</b>	<b>1,703</b>	<b>491</b>	<b>28.8%</b>
<i>Adj. EBITDA %</i>	<i>26.7%</i>	<i>21.4%</i>			<i>22.4%</i>		
<b>Net Income (Loss)</b>	<b>\$ 2,129</b>	<b>\$ 1,005</b>	<b>\$ 1,123</b>	<b>111.7%</b>	<b>\$ 1,352</b>	<b>\$ 777</b>	<b>57.5%</b>

## Management Discussion

Net Revenue favorable to AOP and PY due to continued market share gains.

Gross margin as % of sales favorable to AOP and PY due to favorable material costs as well as productivity gains due to volume.

Opex unfav (\$145k) to PY drive by payroll and benefits (\$64k) due to ship of personnel from COGS to Opex, higher Bonus accrual (\$34k) and T&E (\$14k).

# Financial Review | Consolidated Balance Sheet

\$'000	May-20		Variance	
	Act	Bud	\$	%
<b>Current Assets</b>				
Cash and cash equivalents	\$ 13,970	\$ 826	\$ 13,144	1591.8%
Accounts receivable, gross	12,430	12,663	(233)	(1.8%)
Accounts receivable, reserves	(260)	(134)	(126)	94.4%
Accounts receivable, net	12,170	12,445	(276)	(2.2%)
Inventory, gross	20,141	21,823	(1,683)	(7.7%)
Inventory, reserves	(2,289)	(2,651)	362	(13.7%)
Inventory, net	17,852	19,172	(1,320)	(6.9%)
Prepaid expenses and other current assets	28	204	(176)	(86.1%)
Other current assets	49,129	49,912	(784)	(1.6%)
<b>Total Current Assets</b>	<b>93,148</b>	<b>82,560</b>	<b>10,588</b>	<b>12.8%</b>
<b>Non-Current Assets</b>				
Property, plant & equipment, gross	14,628	15,235	(607)	(4.0%)
Accumulated depreciation	(2,559)	(2,658)	99	(3.7%)
Property, plant & equipment, net	12,069	12,576	(508)	(4.0%)
Goodwill	65,910	65,283	627	1.0%
Identifiable intangible assets, gross	15,100	15,100	—	0.0%
Accumulated amortization	(2,123)	(2,350)	228	(9.7%)
Identifiable intangible assets, net	12,977	12,750	228	1.8%
Deferred financing cost	2,368	2,624	(256)	(9.8%)
Deferred tax asset	644	672	(27)	(4.1%)
Other non-current assets	—	131	(131)	(100.0%)
<b>Total Non-Current Assets</b>	<b>93,968</b>	<b>94,036</b>	<b>(68)</b>	<b>(0.1%)</b>
<b>Total Assets</b>	<b>\$ 187,117</b>	<b>\$ 176,596</b>	<b>\$ 10,521</b>	<b>6.0%</b>
<b>Current Liabilities</b>				
Current portion of long-term debt	\$ 1,850	\$ 1,850	\$ —	0.0%
Notes payable	10,000	—	10,000	N/A
Accounts payable	3,507	4,969	(1,462)	(29.4%)
Accrued liabilities	2,783	3,253	(470)	(14.5%)
Accrued compensation	(189)	774	(963)	(124.5%)
Income taxes payable	1,070	762	308	40.5%
Short-term unearned revenue	36	45	(9)	(19.9%)
Other current liabilities	—	—	—	N/A
<b>Total Current Liabilities</b>	<b>19,056</b>	<b>11,652</b>	<b>7,403</b>	<b>63.5%</b>
<b>Long-term liabilities</b>				
Long-term debt less current maturities	90,195	90,435	(240)	(0.3%)
Capital lease	53	—	53	N/A
Deferred income taxes	(1,084)	(831)	(253)	30.4%
Other non-current liabilities	35,847	31,660	4,186	13.2%
<b>Total Long-Term Liabilities</b>	<b>125,011</b>	<b>121,264</b>	<b>3,747</b>	<b>3.1%</b>
<b>Total Liabilities</b>	<b>144,067</b>	<b>132,917</b>	<b>11,150</b>	<b>8.4%</b>
<b>Shareholders' Equity</b>				
Common stock	29,631	40,228	(10,597)	(26.3%)
Retained earnings	2,822	2,081	741	35.6%
Accumulated other comprehensive income	—	1,370	(1,370)	(100.0%)
Other equity transactions	10,597	1	10,596	1137300.1%
<b>Total Shareholders' Equity</b>	<b>43,050</b>	<b>43,680</b>	<b>(630)</b>	<b>(1.4%)</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 187,117</b>	<b>\$ 176,596</b>	<b>\$ 10,521</b>	<b>6.0%</b>

## Management Discussion

Liquidity remains strong at ~\$14M of cash available.

Revolver fully drawn as of May, but has been paid down \$5M in June.

Audit entries for purchase accounting still need to be posted and S&G needs to work on reconciling accounts after NetSuite implementation.

## Financial Review | Consolidated AR

S&G	5/30/2020	% of Total	6/16/2020	% of Total
Current	2,834	57.7%	2,801	55.3%
1-30	1,152	23.5%	1,133	22.4%
31-60	665	13.5%	610	12.0%
61-90	132	2.7%	304	6.0%
90+	287	5.8%	379	7.5%
Reserves	(160)	-3.3%	(160)	-3.2%
<b>Net A/R</b>	<b>4,910</b>	<b>100.0%</b>	<b>5,067</b>	<b>100.0%</b>

Delaney	5/31/2020	% of Total	6/16/2020	% of Total
Current	3,833	82.2%	3,947	96.5%
1-30	786	16.9%	141	3.4%
31-60	51	1.1%	25	0.6%
61-90	12	0.2%	4	0.1%
90+	31	0.7%	26	0.6%
Reserves	(52)	-1.1%	(52)	-1.3%
<b>Net A/R</b>	<b>4,661</b>	<b>100.0%</b>	<b>4,091</b>	<b>100.0%</b>

Premier	5/31/2020	% of Total	6/16/2020	% of Total
Current	1,266	74.4%	1,268	77.5%
30 Days	375	22.0%	271	16.6%
60 Days	51	3.0%	59	3.6%
90 Days	10	0.6%	36	2.2%
Reserves	-	0.0%	-	0.0%
<b>Net A/R</b>	<b>1,702</b>	<b>100.0%</b>	<b>1,636</b>	<b>100.0%</b>

### Management Discussion

S&G: Gina Simmonds began A/R position at beginning of May. Will begin activity calling customers to collect past dues as well as clean up A/R.

Premier aging is based on age of invoice, not past due. Currently no reserve on the books, but no concern about collectability.

# Financial Review | Consolidated Cash Flow Statement

\$'000	YTD		Variance		PY YTD		Variance	
	Act	Bud	\$	%	Act	\$		%
<b>Cash flow from operations</b>								
Net Income (Loss)	\$ (1,550)	\$ 218	\$ (1,767)	(812.5%)	\$ 5,517	\$ (7,067)		(128.1%)
Depreciation, amortization and other	3,059	4,012	(954)	(23.8%)	(43,226)	46,285		(107.1%)
<i>Change in operating assets and liabilities:</i>								
Accounts receivable	(1,728)	(2,004)	276	(13.8%)	(8,268)	6,540		(79.1%)
Inventory	1,878	557	1,320	236.9%	(9,262)	11,140		(120.3%)
Prepaid expenses and other current assets	185	8	176	2072.9%	(92)	276		(301.0%)
Accounts payable	(184)	1,279	(1,462)	(114.4%)	3,488	(3,672)		(105.3%)
Accrued expenses	(579)	(109)	(470)	433.2%	384	(963)		(250.7%)
Accrued income taxes	72	(236)	308	(130.5%)	(8)	80		(1036.1%)
Other changes in operating assets and liabilities	(463)	(3,964)	3,501	(88.3%)	43,641	(44,105)		(101.1%)
Other cash flow from operations	—	—	—	N/A	—	—		N/A
<b>Total Cash Flow from Operations</b>	<b>\$ 689</b>	<b>\$ (239)</b>	<b>\$ 928</b>	<b>(388.9%)</b>	<b>\$ (7,825)</b>	<b>\$ 8,515</b>		<b>(108.8%)</b>
<b>Cash flow from investing</b>								
Additions to property, plant and equipment	\$ (302)	\$ (908)	\$ 607	(66.8%)	\$ (11,858)	\$ 11,556		(97.5%)
Investment in intangibles	—	—	—	N/A	(15,100)	15,100		(100.0%)
<b>Total Cash Flow from Investing</b>	<b>\$ (302)</b>	<b>\$ (908)</b>	<b>\$ 607</b>	<b>(66.8%)</b>	<b>\$ (26,958)</b>	<b>\$ 26,656</b>		<b>(98.9%)</b>
<b>Cash flow from financing</b>								
Proceeds from the issuance (repayment) of short-term debt	\$ 10,000	\$ —	\$ 10,000	N/A	\$ 800	\$ 9,200		1150.0%
Common stock issued (repurchased)	0	10,597	(10,597)	(100.0%)	7,731	(7,731)		(100.0%)
Other cash flow from financing costs	1,004	(10,986)	11,991	(109.1%)	(15,994)	16,998		(106.3%)
<b>Total Cash Flow from Financing</b>	<b>\$ 11,004</b>	<b>\$ (612)</b>	<b>\$ 11,617</b>	<b>(1897.2%)</b>	<b>\$ 37,123</b>	<b>\$ (26,119)</b>		<b>(70.4%)</b>
	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>	<b>\$ —</b>	<b>\$ —</b>		<b>N/A</b>
<b>Net change in cash</b>	<b>\$ 11,392</b>	<b>\$ (1,759)</b>	<b>\$ 13,151</b>	<b>(747.5%)</b>	<b>\$ 2,340</b>	<b>\$ 9,052</b>		<b>386.8%</b>
Beginning cash	2,585	2,585	—	0.0%	336	2,249		669.7%
Change in cash	11,392	(1,759)	13,151	(747.5%)	2,340	9,052		386.8%
<b>Ending cash</b>	<b>\$ 13,974</b>	<b>\$ 826</b>	<b>\$ 13,148</b>	<b>1592.3%</b>	<b>\$ 2,676</b>	<b>\$ 11,298</b>		<b>422.2%</b>

## Management Discussion

First month related to closing in NetSuite for S&G. Need to work on cleanup of mapping, specifically related to balance sheet.

# Financial Review | Consolidated 13-Week Cash Flow Projection

In US\$	Forecast 6/15	Forecast 6/22	Forecast 6/29	Forecast 7/6	Forecast 7/13	Forecast 7/20	Forecast 7/27	Forecast 8/3	Forecast 8/10	Forecast 8/17	Forecast 8/24	Forecast 8/31	Forecast 9/7
<b>Cash Inflows - Operational</b>													
Collections from customers (Actual)	-	-	-	-	-	-	-	-	-	-	-	-	-
Collections from customers based on projected aging (Forecast)	2,034	1,223	1,198	2,451	843	615	854	392	203	139	215	112	73
Collections from new forecasted sales	-	-	-	-	366	997	1,108	914	1,945	2,030	1,589	1,320	1,337
<b>Total AR Collections</b>	<b>2,034</b>	<b>1,223</b>	<b>1,198</b>	<b>2,451</b>	<b>1,209</b>	<b>1,612</b>	<b>1,961</b>	<b>1,306</b>	<b>2,148</b>	<b>2,168</b>	<b>1,803</b>	<b>1,432</b>	<b>1,410</b>
Other non-AR inflows	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Inflows - Operational</b>	<b>2,034</b>	<b>1,223</b>	<b>1,198</b>	<b>2,451</b>	<b>1,209</b>	<b>1,612</b>	<b>1,961</b>	<b>1,306</b>	<b>2,148</b>	<b>2,168</b>	<b>1,803</b>	<b>1,432</b>	<b>1,410</b>
<b>Cash Outflows - Operational</b>													
Product inventory	(642)	(794)	(835)	(777)	(762)	(1,172)	(532)	(1,142)	(593)	(1,455)	(757)	(1,003)	(716)
Payroll	(327)	(240)	(410)	(250)	(342)	(250)	(282)	(260)	(465)	(280)	(282)	(280)	(405)
Commissions	-	-	-	-	(165)	-	-	-	(225)	-	-	-	(165)
Bonus	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities & other (Freight)	(153)	(270)	(110)	(77)	(70)	(363)	(70)	(77)	(70)	(115)	(270)	(110)	(77)
Professional services	(92)	(70)	(98)	(75)	(105)	(75)	(87)	(75)	(75)	(105)	(87)	(87)	(87)
Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-
Recruiter fees	-	(30)	-	-	-	-	-	-	-	-	-	-	-
Other expenses (Insurance, TSA, CC)	(32)	(430)	-	-	(18)	(70)	-	-	-	-	(70)	-	-
<b>Total Cash Outflows - Operational</b>	<b>(1,246)</b>	<b>(1,834)</b>	<b>(1,453)</b>	<b>(1,179)</b>	<b>(1,462)</b>	<b>(1,930)</b>	<b>(971)</b>	<b>(1,554)</b>	<b>(1,428)</b>	<b>(1,955)</b>	<b>(1,466)</b>	<b>(1,480)</b>	<b>(1,450)</b>
<b>Cashflows - Financial and Other</b>													
Revolving Loan Draw (Paydown)	-	-	-	-	-	-	-	-	-	-	-	-	-
Term Loan paydowns	-	-	(463)	-	-	-	-	-	-	-	-	-	-
Interest and financial amortization	-	-	(1,785)	-	-	-	-	-	-	-	-	-	-
Other financial income/expense (e.g. fx, hedging)	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial income/expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Tax Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Monitoring fees (including travel expenses)	-	-	(500)	-	-	-	-	-	-	-	-	-	-
Non-recurring items	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Outflows - Financial and Other</b>	<b>-</b>	<b>-</b>	<b>(2,748)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL CASH FLOW</b>	<b>789</b>	<b>(611)</b>	<b>(3,003)</b>	<b>1,272</b>	<b>(253)</b>	<b>(318)</b>	<b>991</b>	<b>(248)</b>	<b>720</b>	<b>214</b>	<b>337</b>	<b>(48)</b>	<b>(40)</b>
<b>Cash Rollforward</b>													
Beginning cash balance	9,625	10,414	9,803	6,800	8,071	7,819	7,501	8,491	8,243	8,963	9,176	9,514	9,466
Cash activity	789	(611)	(3,003)	1,272	(253)	(318)	991	(248)	720	214	337	(48)	(40)
<b>ENDING CASH BALANCE</b>	<b>10,414</b>	<b>9,803</b>	<b>6,800</b>	<b>8,071</b>	<b>7,819</b>	<b>7,501</b>	<b>8,491</b>	<b>8,243</b>	<b>8,963</b>	<b>9,176</b>	<b>9,514</b>	<b>9,466</b>	<b>9,426</b>
<b>Debt Summary</b>													
Rollad debt	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Credit facility	92,508	92,508	92,045	92,045	92,045	92,045	92,045	92,045	92,045	92,045	92,045	92,045	92,045
<b>TOTAL DEBT</b>	<b>97,508</b>	<b>97,508</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>
<b>TOTAL NET DEBT</b>	<b>87,094</b>	<b>87,705</b>	<b>90,245</b>	<b>88,974</b>	<b>89,226</b>	<b>89,544</b>	<b>88,554</b>	<b>88,802</b>	<b>88,082</b>	<b>87,869</b>	<b>87,531</b>	<b>87,579</b>	<b>87,619</b>
<b>AVAILABILITY</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b>ENDING CASH BALANCE - S&amp;G</b>	<b>3,381</b>	<b>2,979</b>	<b>(50)</b>	<b>195</b>	<b>282</b>	<b>297</b>	<b>845</b>	<b>749</b>	<b>745</b>	<b>849</b>	<b>1,422</b>	<b>1,599</b>	<b>1,778</b>
<b>ENDING CASH BALANCE - Delaney</b>	<b>5,590</b>	<b>5,237</b>	<b>5,026</b>	<b>5,936</b>	<b>5,540</b>	<b>5,090</b>	<b>5,436</b>	<b>5,096</b>	<b>5,697</b>	<b>5,665</b>	<b>5,346</b>	<b>5,058</b>	<b>4,619</b>
<b>ENDING CASH BALANCE - Premier</b>	<b>1,442</b>	<b>1,586</b>	<b>1,824</b>	<b>1,940</b>	<b>1,997</b>	<b>2,113</b>	<b>2,210</b>	<b>2,398</b>	<b>2,520</b>	<b>2,663</b>	<b>2,746</b>	<b>2,810</b>	<b>3,029</b>
<b>ENDING CASH BALANCE - Consolidated</b>	<b>10,414</b>	<b>9,803</b>	<b>6,800</b>	<b>8,071</b>	<b>7,819</b>	<b>7,501</b>	<b>8,491</b>	<b>8,243</b>	<b>8,963</b>	<b>9,176</b>	<b>9,514</b>	<b>9,466</b>	<b>9,426</b>

## Management Discussion

Given current liquidity position, we propose a \$3M paydown of the revolver in June and re-evaluate an additional \$2M paydown in July.

# Financial Review | Covenant Analysis

## Fixed Charge Coverage Ratio

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Fixed Charges:												
Interest paid (net of interest received)	8,243	7,736	7,842	7,418	7,477	7,514	7,308	7,354	7,392	7,258	7,296	7,329
Plus:												
Principal payments with respect to all debt	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
<b>Fixed Charges</b>	<b>10,093</b>	<b>9,587</b>	<b>9,692</b>	<b>9,268</b>	<b>9,327</b>	<b>9,365</b>	<b>9,158</b>	<b>9,204</b>	<b>9,242</b>	<b>9,108</b>	<b>9,147</b>	<b>9,179</b>
EBITDA for defined Period	22,358	22,172	21,368	21,152	21,028	19,858	19,948	19,849	20,161	20,143	20,341	21,331
Less:												
Unfinanced Capital Expenditures	1,133	1,159	1,178	1,046	1,114	1,344	1,444	1,891	1,888	1,802	2,078	1,920
Fees and expenses paid/incurred under the Management Agreement	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Any federal, state, local or other income and franchise taxes paid or payable in cash net of any cash tax credits or other cash tax benefits	200	200	200	200	179	55	221	444	541	892	1,000	1,194
<b>Operating Cash Flow</b>	<b>19,025</b>	<b>18,813</b>	<b>17,990</b>	<b>17,906</b>	<b>17,734</b>	<b>16,459</b>	<b>16,283</b>	<b>15,515</b>	<b>15,733</b>	<b>15,449</b>	<b>15,263</b>	<b>16,217</b>
Fixed Charge Coverage Ratio	1.88	1.96	1.86	1.93	1.90	1.76	1.78	1.69	1.70	1.70	1.67	1.77
Minimum Ratio	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
In Compliance	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
TTM Minimum Operating Cash Flow	11,102	10,545	10,661	10,195	10,260	10,301	10,073	10,125	10,166	10,019	10,061	10,097
TTM Operating Cash Flow Cushion	7,922	8,268	7,328	7,711	7,474	6,158	6,209	5,390	5,567	5,430	5,202	6,119

## Assumptions

- YTD EBITDA + S&G EBITDA based 30% revenue reduction in June and 25% revenue reduction in July-December with Delaney and Premier EBITDA at AOP for the remainder of the year



# Financial Review | Covenant Analysis

## Total Debt to EBITDA

000's	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Total Debt:												
Revolver Balance	1,250	1,250	10,000	10,000	10,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Plus: Term Loan Balance	92,508	92,508	92,045	92,045	92,045	91,583	91,583	91,583	91,120	91,120	91,120	90,658
Plus: Other Debt	-	-	-	-	-	-	-	-	-	-	-	-
Less: Qualified Cash	1,777	2,718	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
<b>Total Debt</b>	<b>91,981</b>	<b>91,040</b>	<b>97,045</b>	<b>97,045</b>	<b>97,045</b>	<b>91,583</b>	<b>91,583</b>	<b>91,583</b>	<b>91,120</b>	<b>91,120</b>	<b>91,120</b>	<b>90,658</b>
EBITDA for the Defined Period (calculated in the manner required by Section 6.1 of the Compliance Certificate)	22,358	22,172	21,368	21,152	21,028	19,858	19,948	19,849	20,161	20,143	20,341	21,331
<b>TTM Adjusted EBITDA</b>	<b>22,358</b>	<b>22,172</b>	<b>21,368</b>	<b>21,152</b>	<b>21,028</b>	<b>19,858</b>	<b>19,948</b>	<b>19,849</b>	<b>20,161</b>	<b>20,143</b>	<b>20,341</b>	<b>21,331</b>
Total Debt to EBITDA Ratio (ratio of Total Debt to Adjusted EBITDA for the Defined Period)	4.11	4.11	4.54	4.59	4.62	4.61	4.59	4.61	4.52	4.52	4.48	4.25
Maximum Permitted Total Debt to EBITDA Ratio for the Defined Period	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.50
In Compliance	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Minimum TTM EBITDA required	15,997	15,833	16,877	16,877	16,877	15,927	15,927	15,927	15,847	15,847	15,847	16,483
TTM EBITDA Cushion	6,361	6,339	4,491	4,275	4,150	3,930	4,020	3,922	4,314	4,296	4,494	4,848

Amounts for January 2019 through October 2019 defined per credit agreement

## Assumptions

- YTD EBITDA + S&G EBITDA based 30% revenue reduction in June and 25% revenue reduction in July-December with Delaney and Premier EBITDA at AOP for the remainder of the year

# May 2020 Operating Review

- ➔ Administrative (call to order, confirm APR MOR minutes, etc.)
- ➔ Executive Summary
- ➔ Financial Review
- ➔ **Key initiatives**
- ➔ Committee reports
- ➔ Appendix

# Key initiatives | Delaney Supply Chain Management

## Summary

- Delaney is feeling the effects of Covid-19 on our Supply Chain
- Unexpected extended factory shutdowns in the Philippines and India have caused serious delays to containers and the lead times have gone from 90 days pre-covid to 150 – 180 days currently. Average monthly sales out of Philippines \$545K – potential impact \$200K/month July/Aug
- Containers scheduled to ship 7/20, 8/31, 9/14 should level supply by September 1<sup>st</sup>.
- Initial delays out of China have smoothed out but we continue to play catch up with some SKU's, however we are experiencing a growing "Anything but China" sentiment among some customers
- Extended reopening timelines with multiple delays are leading to difficulty planning and committing to future shipments with the uncertainty

## Actions taken / underway:

- At the onset of Covid-19 we outlined a Supply Chain contingency plan that included multi-sourced key commodities with weekly reporting on backorders, container lead times, and demand projections (based on limited sales and customer feedback)
- Upon notice of the Philippine and India factory closures we began communication with our highest demand customers of those products. Communication consisted of full transparency of the situation, the need for firm order commitments, prioritizing projects that were in-progress, offering alternate styles for projects that hadn't started
- Ongoing actions to mitigate impacts include:
  - Identified / implemented substitutions for most of the high-demand items
  - Utilize Air Freight for small fill-in quantities
  - Sourced a few alternate suppliers, however changing suppliers is not easy because in most cases the product details are not identical.

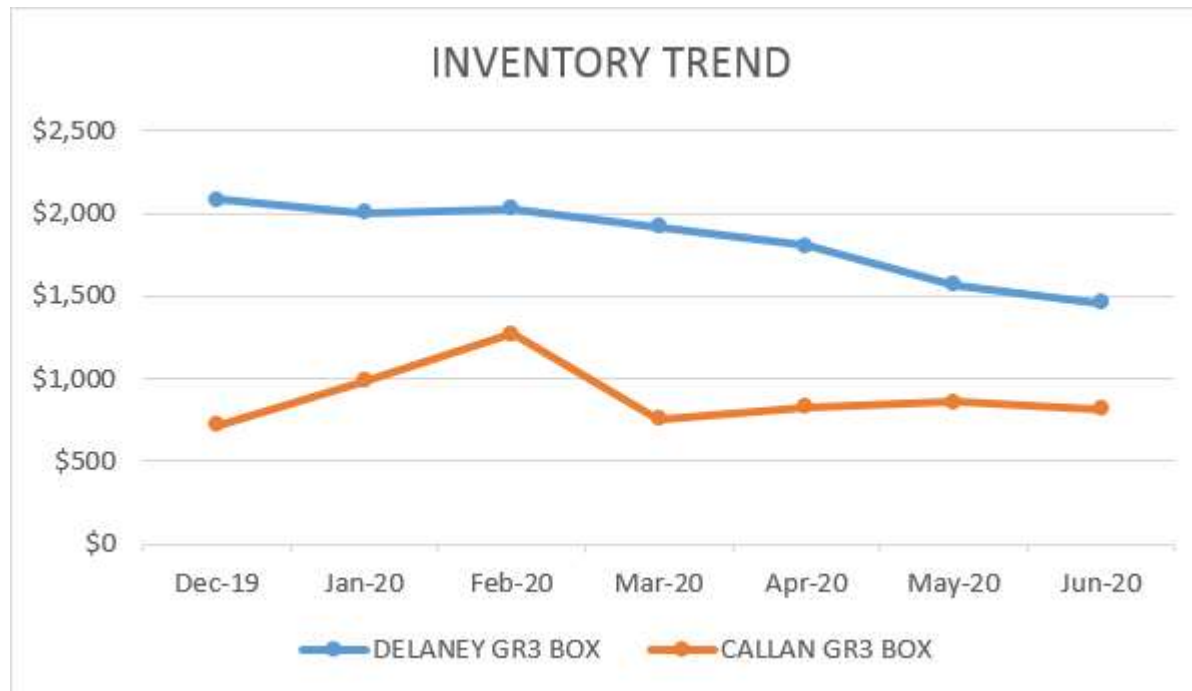
## To discuss:

- Additional solutions / mitigants available to meet customer demand or accelerate delivery lead times
- Forecasting methodologies / approaches to support demand forecasting and ordering
- Options to support continued customer engagement and relationship management

## Key initiatives | Delaney Supply Chain Management

### SKU inventory trend – GR3 box (Delaney and Callan) \$

- DELANEY GR3 BOX primarily used in Multi-Family
- CALLAN GR3 Box primarily used in Single Family



# Key initiatives | Premier Capacity/CAPEX

## **Summary**

- While there are other priorities and areas of focus, none are more significant than the people and machine related issues Premier has been experiencing since mid-March. While product demand is up, current capabilities do not align with AOP targets or even prior year production levels. This is primarily an outcome of machine failures that have been compounded by personnel issues, some of which are related to Covid-19 and the newly implemented distancing/safeguards required for continued operations. The desired outcome should not only address current production needs relative to AOP revenue targets, but also future state requirements and growth initiatives.

## **Actions taken / underway:**

- Data forwarded to Mark Wise to detail updated business case scenario for CAPEX spend.
- Quotes being obtained for multiple machine options and brand alternatives.

## **Questions / request for board input:**

- An estimated \$1.6M spend will be needed but will confirm with business case analysis.

## Premier Capacity: Current State, Capex

- Premier operated two production departments (doors and frames) near-full capacity (~300 doors / day and ~900 frame pieces / day) prior to Covid-19. Substantial machinery failures coupled with new Covid-19 distancing realities have led to new current capacity that is below AOP CY targets by 20%
  - Capex is required to alleviate risk to current demand, but is also designed to support future needs and additional sales and new products (i.e. 14g BR doors and frames)
  - Capacity in both departments is reduced when high mix production creates time-intensive set-ups or changeovers.
    - Mix is only getting more choppy and current capabilities are designed for small variation high volume
  - \$1.6M capex in automated machines capable of producing expanded product line while reducing changeovers, increasing production capacity by 31% (~\$5.95M in revenue), and supporting increased customer demand and current backlog while also mitigating elongated lead times. Estimated head count reduction of four.

Capex includes:	Purpose:
\$390,000 Door CNC turret press (new)	Eliminates door changeovers (all days produce at current 85th percentile)
\$370,000 Door Panel Bender (new)	
\$210,000 Frame CNC press (new)	Eliminates frame changeovers (all days produce at current 85th percentile)
\$210,000 Frame CNC press (new)	
\$390,000 Frame CNC turret press (new)	
<b>\$1,570,000 Total Capex</b>	

	ASP	YTD Parts	Remaining Capability	Yearly	Revenue	Total	AOP	Hit/Miss	Comments
Doors	182	26,818	37,545	64,363	11,714,066	19,201,346	20,533,932	-1,332,586	Assumes working EVERY Friday for the rest of the year and no more breakdowns
Frames	40	83,526	103,656	187,182	7,487,280				Assumes working EVERY Friday for the rest of the year and no more breakdowns

- Key factors to consider
  - The backlog is and continues to be the highest in company history
  - Current machinery is functioning, but further catastrophic breakdowns are imminent as several presses are substantially worn and only operating because of no other options (i.e. 2 presses have worn eccentrics to the point that frequent adjustment is required and could fail at any time, another press has cracked housings and platen landings through the weld that will fail, another press has a clutch, drive, and shaft assembly that is both completely worn and unrepairable [recommendations from industrial maintenance consultant is to completely remove and replace the entire operating drive])
  - Covid-19 has had human capital impact on an already tight labor market. Workforce issues have been exacerbated by illness events, materially beneficial programs to not work, and employee fears. Capex as presented reduces overall dependency on additional labor.
- Because of the mechanical issues (compounded by Covid-19), Premier is unable to hit needed productions targets for 2020 AOP without Capex. Existing production, given the likelihood of continued mechanical issues, also remains at risk.
- Lag time from order placement to machinery in service is approximately 90-120 days. Attempts to close production gaps will utilize additional shifts and/or overtime hours.

### Future State

	CASP	FS	Add'l Capacity	Add'l Revenue
Doors	182	84,500	20,137	3,664,934
Frames	40	244,250	57,068	2,282,720
				\$ 5,947,654

# May 2020 Operating Review

- ➔ Administrative (call to order, confirm APR MOR minutes, etc.)
- ➔ Executive Summary
- ➔ Financial Review
- ➔ Key initiatives
- ➔ **Committee reports**
- ➔ Appendix

# May 2020 Operating Review

- ➔ Administrative (call to order, confirm APR MOR minutes, etc.)
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- ➔ Committee reports
- ➔ **Appendix**



## Appendix | Consolidated CoGS by Component

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
<b>Material</b>								
Material costs at standard	\$ 3,033	\$ 3,351	\$ (318)	(9.5%)	\$ 16,516	\$ 17,446	\$ (930)	(5.3%)
Materials FX loss / (gain)	—	—	—	N/A	1	—	1	N/A
Purchase price variance	31	(63)	94	(149.0%)	(39)	(387)	348	(90.0%)
Freight in	96	74	22	29.7%	466	366	100	27.3%
Cost revision	18	25	(7)	(29.7%)	79	125	(46)	(36.7%)
Scrap costs	6	(6)	12	(192.5%)	45	(36)	81	(226.6%)
Consumables	(13)	7	(20)	(269.5%)	6	41	(35)	(85.6%)
<b>Total Material COGS</b>	<b>\$ 3,171</b>	<b>\$ 3,389</b>	<b>\$ (217)</b>	<b>(6.4%)</b>	<b>\$ 17,074</b>	<b>\$ 17,555</b>	<b>\$ (481)</b>	<b>(2.7%)</b>
<b>Labor</b>								
Direct labor	\$ 339	\$ 413	\$ (74)	(17.9%)	\$ 2,032	\$ 2,213	\$ (181)	(8.2%)
Direct labor - bonus	4	—	4	N/A	19	—	19	N/A
Direct labor - overtime	34	51	(17)	(33.4%)	194	295	(102)	(34.4%)
Direct labor - benefits	88	102	(14)	(13.7%)	372	578	(206)	(35.6%)
Indirect labor	253	255	(2)	(1.0%)	1,495	1,310	184	14.1%
Indirect labor – bonus	6	—	6	N/A	32	—	32	N/A
Indirect labor - overtime	8	12	(4)	(29.9%)	58	57	1	2.2%
Indirect labor – benefits	49	119	(71)	(59.3%)	397	622	(224)	(36.1%)
<b>Total Labor COGS</b>	<b>\$ 780</b>	<b>\$ 952</b>	<b>\$ (172)</b>	<b>(18.0%)</b>	<b>\$ 4,598</b>	<b>\$ 5,075</b>	<b>\$ (477)</b>	<b>(9.4%)</b>
<b>Other</b>								
Repairs and maintenance	\$ 20	\$ 28	\$ (8)	(28.9%)	\$ 174	\$ 145	\$ 29	19.6%
Absorption	(517)	(157)	(360)	230.0%	(1,328)	(783)	(545)	69.6%
Freight out	98	100	(2)	(1.8%)	559	550	9	1.6%
Rent / facilities	192	165	27	16.5%	1,250	871	379	43.6%
Utilities	38	47	(10)	(20.4%)	229	251	(22)	(8.7%)
Other cost of sales	192	226	(34)	(15.0%)	1,095	1,158	(63)	(5.4%)
<b>Total Other COGS</b>	<b>\$ 23</b>	<b>\$ 409</b>	<b>\$ (387)</b>	<b>(94.4%)</b>	<b>\$ 1,980</b>	<b>\$ 2,193</b>	<b>\$ (213)</b>	<b>(9.7%)</b>
<b>Total COGS</b>	<b>\$ 3,974</b>	<b>\$ 4,750</b>	<b>\$ (776)</b>	<b>(118.9%)</b>	<b>\$ 23,653</b>	<b>\$ 24,823</b>	<b>\$ (1,170)</b>	<b>(21.8%)</b>

## Appendix | S&G CoGS by Component

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
<b>Material</b>								
Material costs at standard	\$ 895	\$ 1,102	\$ (207)	(18.8%)	\$ 5,401	\$ 6,313	\$ (912)	(14.4%)
Purchase price variance	31	(63)	94	(149.2%)	(38)	(387)	348	(90.1%)
Freight in	75	61	14	23.0%	335	301	34	11.2%
Cost revision	–	10	(10)	(100.0%)	–	50	(50)	(100.0%)
Scrap costs	(10)	(9)	(1)	7.2%	(27)	(51)	23	(45.9%)
Consumables	(13)	7	(20)	(269.5%)	6	41	(35)	(85.6%)
<b>Total Material COGS</b>	<b>\$ 979</b>	<b>\$ 1,108</b>	<b>\$ (129)</b>	<b>(11.7%)</b>	<b>\$ 5,676</b>	<b>\$ 6,267</b>	<b>\$ (590)</b>	<b>(9.4%)</b>
<b>Labor</b>								
Direct labor	\$ 137	\$ 229	\$ (91)	(40.0%)	\$ 1,027	\$ 1,256	\$ (229)	(18.2%)
Direct labor - overtime	0	25	(25)	(100.0%)	35	141	(107)	(75.5%)
Direct labor - benefits	88	102	(14)	(13.7%)	372	578	(206)	(35.6%)
Indirect labor	109	143	(34)	(23.7%)	763	773	(10)	(1.3%)
Indirect labor – benefits	31	28	4	13.6%	297	161	137	85.1%
<b>Total Labor COGS</b>	<b>\$ 368</b>	<b>\$ 527</b>	<b>\$ (159)</b>	<b>(30.2%)</b>	<b>\$ 2,496</b>	<b>\$ 2,909</b>	<b>\$ (413)</b>	<b>(14.2%)</b>
<b>Other</b>								
Repairs and maintenance	\$ 10	\$ 17	\$ (7)	(43.1%)	\$ 88	\$ 91	\$ (3)	(3.3%)
Absorption	(324)	–	(324)	N/A	(324)	–	(324)	N/A
Freight out	–	–	–	N/A	–	–	–	N/A
Rent / facilities	118	90	27	30.2%	872	499	374	74.9%
Utilities	17	22	(5)	(22.9%)	105	118	(13)	(11.4%)
Other cost of sales	23	70	(48)	(67.9%)	264	376	(112)	(29.9%)
<b>Total Other COGS</b>	<b>\$ (157)</b>	<b>\$ 199</b>	<b>\$ (357)</b>	<b>(179.0%)</b>	<b>\$ 1,005</b>	<b>\$ 1,084</b>	<b>\$ (80)</b>	<b>(7.3%)</b>
<b>Total COGS</b>	<b>\$ 1,189</b>	<b>\$ 1,834</b>	<b>\$ (645)</b>	<b>(220.8%)</b>	<b>\$ 9,177</b>	<b>\$ 10,260</b>	<b>\$ (1,083)</b>	<b>(31.0%)</b>

## Appendix | Delaney CoGS by Component

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
<b><u>Material</u></b>								
Material costs at standard	\$ 1,622	\$ 1,582	\$ 40	2.6%	\$ 8,632	\$ 8,411	\$ 221	2.6%
Purchase price variance	(0)	—	(0)	N/A	(0)	—	(0)	N/A
Freight in	9	13	(4)	(34.6%)	87	65	22	34.1%
Cost revision	18	15	3	17.2%	79	75	4	5.6%
Scrap costs	3	3	(0)	(0.9%)	14	15	(1)	(5.1%)
<b>Total Material COGS</b>	<b>\$ 1,651</b>	<b>\$ 1,613</b>	<b>\$ 38</b>	<b>2.4%</b>	<b>\$ 8,812</b>	<b>\$ 8,566</b>	<b>\$ 246</b>	<b>2.9%</b>
<b><u>Labor</u></b>								
Direct labor	\$ —	\$ —	\$ —	N/A	\$ (4)	\$ —	\$ (4)	N/A
Indirect labor	69	86	(18)	(20.3%)	316	400	(84)	(21.0%)
Indirect labor - overtime	0	8	(8)	(99.7%)	36	40	(4)	(9.5%)
Indirect labor – benefits	5	9	(5)	(48.2%)	38	44	(6)	(12.6%)
<b>Total Labor COGS</b>	<b>\$ 74</b>	<b>\$ 104</b>	<b>\$ (30)</b>	<b>(29.0%)</b>	<b>\$ 387</b>	<b>\$ 484</b>	<b>\$ (97)</b>	<b>(20.1%)</b>
<b><u>Other</u></b>								
Repairs and maintenance	\$ 0	\$ 1	\$ (1)	(88.4%)	\$ 0	\$ 5	\$ (5)	(91.0%)
Freight out	123	121	2	1.3%	654	644	10	1.6%
Rent / facilities	41	41	(0)	(0.0%)	206	205	1	0.6%
Utilities	6	5	0	9.3%	31	31	(1)	(2.8%)
Other cost of sales	8	12	(4)	(31.2%)	53	63	(9)	(14.8%)
<b>Total Other COGS</b>	<b>\$ 178</b>	<b>\$ 181</b>	<b>\$ (3)</b>	<b>(1.5%)</b>	<b>\$ 945</b>	<b>\$ 948</b>	<b>\$ (3)</b>	<b>(0.3%)</b>
<b>Total COGS</b>	<b>\$ 1,903</b>	<b>\$ 1,897</b>	<b>\$ 6</b>	<b>(28.1%)</b>	<b>\$ 10,144</b>	<b>\$ 9,998</b>	<b>\$ 146</b>	<b>(17.5%)</b>

## Appendix | Premier CoGS by Component

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
<b><u>Material</u></b>								
Material costs at standard	\$ 627	\$ 786	\$ (159)	(20.2%)	\$ 3,171	\$ 3,467	\$ (297)	(8.6%)
Freight in	12	–	12	N/A	44	–	44	N/A
Scrap costs	13	–	13	N/A	58	–	58	N/A
<b>Total Material COGS</b>	<b>\$ 653</b>	<b>\$ 786</b>	<b>\$ (134)</b>	<b>(17.0%)</b>	<b>\$ 3,273</b>	<b>\$ 3,467</b>	<b>\$ (194)</b>	<b>(5.6%)</b>
<b><u>Labor</u></b>								
Direct labor	\$ 201	\$ 184	\$ 17	9.4%	\$ 1,009	\$ 957	\$ 52	5.4%
Direct labor - bonus	4	–	4	N/A	19	–	19	N/A
Direct labor - overtime	34	25	8	33.1%	159	154	5	3.3%
Indirect labor	75	26	49	189.9%	416	137	279	203.0%
Indirect labor – bonus	6	–	6	N/A	32	–	32	N/A
Indirect labor - overtime	6	4	3	65.8%	20	17	3	18.8%
Indirect labor – benefits	12	82	(70)	(85.2%)	61	417	(355)	(85.3%)
<b>Total Labor COGS</b>	<b>\$ 339</b>	<b>\$ 321</b>	<b>\$ 17</b>	<b>5.4%</b>	<b>\$ 1,715</b>	<b>\$ 1,682</b>	<b>\$ 34</b>	<b>2.0%</b>
<b><u>Other</u></b>								
Repairs and maintenance	\$ 10	\$ 10	\$ 0	1.5%	\$ 86	\$ 49	\$ 36	73.0%
Absorption	(193)	(157)	(36)	23.1%	(1,004)	(783)	(221)	28.2%
Freight out	(25)	(21)	(3)	15.6%	(95)	(93)	(1)	1.5%
Rent / facilities	33	34	(0)	(0.4%)	172	168	5	2.8%
Utilities	15	20	(5)	(25.5%)	94	102	(8)	(7.5%)
Other cost of sales	161	144	18	12.3%	778	719	59	8.2%
<b>Total Other COGS</b>	<b>\$ 2</b>	<b>\$ 30</b>	<b>\$ (27)</b>	<b>(91.7%)</b>	<b>\$ 31</b>	<b>\$ 161</b>	<b>\$ (130)</b>	<b>(80.7%)</b>
<b>Total COGS</b>	<b>\$ 994</b>	<b>\$ 1,137</b>	<b>\$ (143)</b>	<b>(103.3%)</b>	<b>\$ 5,019</b>	<b>\$ 5,310</b>	<b>\$ (291)</b>	<b>(84.3%)</b>

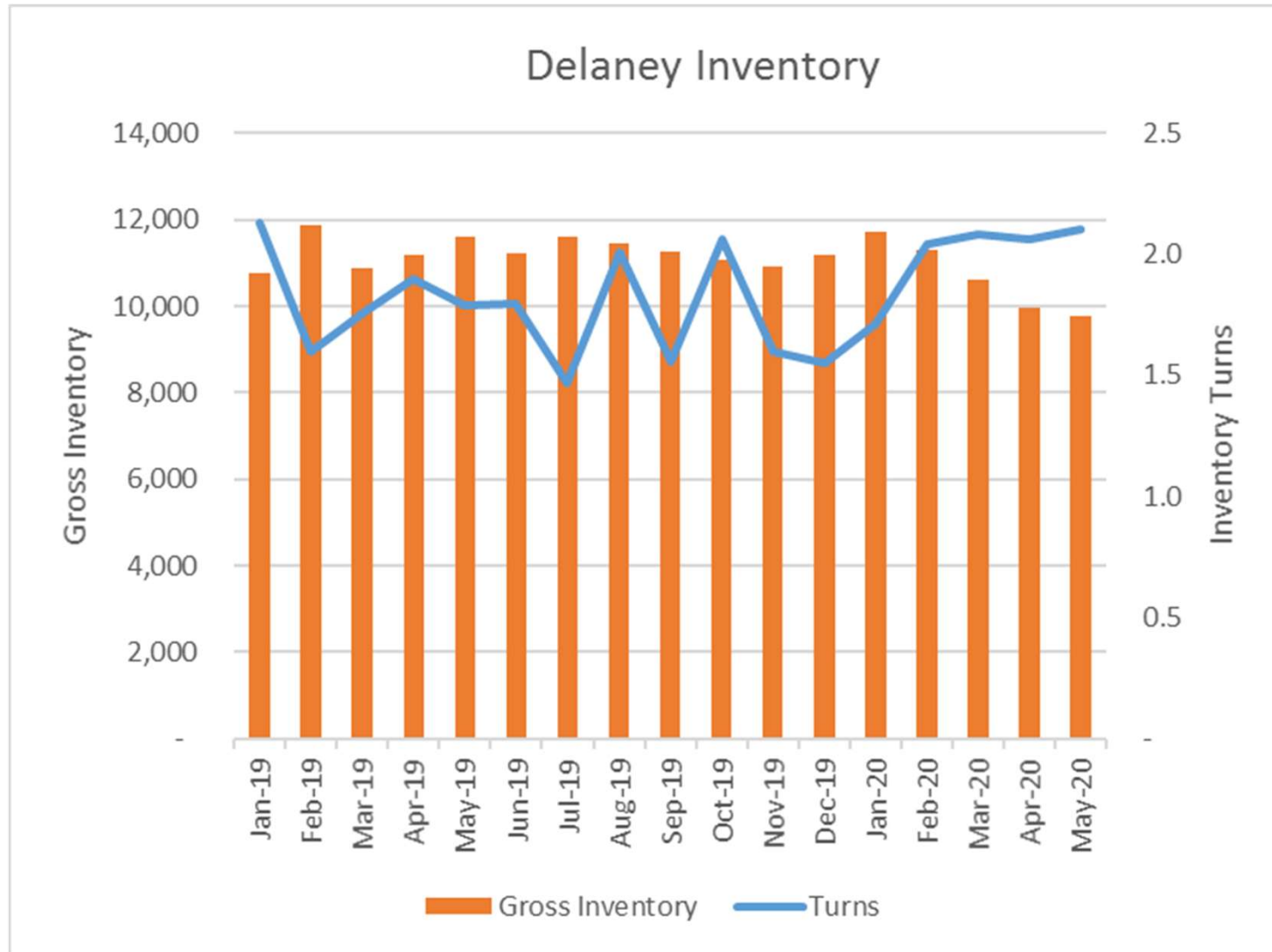
## Appendix | S&G Balance Sheet

\$'000	May-20		Variance	
	Act	Bud	\$	%
<b>Current Assets</b>				
Cash and cash equivalents	\$ 8,269	\$ 26	\$ 8,243	32026.5%
Accounts receivable, gross	6,014	6,697	(683)	(10.2%)
Accounts receivable, reserves	(232)	(134)	(98)	73.0%
Accounts receivable, net	5,783	6,563	(780)	(11.9%)
Inventory, gross	7,202	7,585	(383)	(5.1%)
Inventory, reserves	(658)	(496)	(162)	32.7%
Inventory, net	6,543	7,089	(545)	(7.7%)
Prepaid expenses and other current assets	(200)	(24)	(176)	730.3%
Other current assets	49,129	49,912	(784)	(1.6%)
<b>Total Current Assets</b>	<b>69,524</b>	<b>63,566</b>	<b>5,958</b>	<b>9.4%</b>
<b>Non-Current Assets</b>				
Property, plant & equipment, gross	11,731	12,353	(622)	(5.0%)
Accumulated depreciation	(1,460)	(1,547)	87	(5.6%)
Property, plant & equipment, net	10,271	10,806	(535)	(5.0%)
Goodwill	42,133	42,050	83	0.2%
Identifiable intangible assets, gross	15,100	15,100	–	0.0%
Accumulated amortization	(2,123)	(2,350)	228	(9.7%)
Identifiable intangible assets, net	12,977	12,750	228	1.8%
Deferred financing cost	2,368	2,624	(256)	(9.8%)
Other non-current assets	–	131	(131)	(100.0%)
<b>Total Non-Current Assets</b>	<b>67,749</b>	<b>68,361</b>	<b>(611)</b>	<b>(0.9%)</b>
<b>Total Assets</b>	<b>\$ 137,273</b>	<b>\$ 131,926</b>	<b>\$ 5,347</b>	<b>4.1%</b>
<b>Current Liabilities</b>				
Current portion of long-term debt	\$ 1,850	\$ 1,850	\$ –	0.0%
Accounts payable	2,553	3,544	(991)	(28.0%)
Accrued liabilities	1,633	1,975	(342)	(17.3%)
Accrued compensation	318	125	193	154.7%
Income taxes payable	200	128	72	56.2%
Short-term unearned revenue	36	45	(9)	(19.9%)
<b>Total Current Liabilities</b>	<b>16,591</b>	<b>7,668</b>	<b>8,923</b>	<b>116.4%</b>
<b>Long-term liabilities</b>				
Long-term debt less current maturities	90,195	90,435	(240)	(0.3%)
Deferred income taxes	(833)	(831)	(2)	0.3%
Other non-current liabilities	–	87	(87)	(100.0%)
<b>Total Long-Term Liabilities</b>	<b>89,362</b>	<b>89,691</b>	<b>(329)</b>	<b>(0.4%)</b>
<b>Total Liabilities</b>	<b>105,953</b>	<b>97,359</b>	<b>8,594</b>	<b>8.8%</b>
<b>Shareholders' Equity</b>				
Common stock	40,228	40,228	–	0.0%
Retained earnings	(8,907)	(7,031)	(1,876)	26.7%
Accumulated other comprehensive income	–	1,370	(1,370)	(100.0%)
Other equity transactions	–	1	(1)	(100.0%)
<b>Total Shareholders' Equity</b>	<b>31,320</b>	<b>34,567</b>	<b>(3,247)</b>	<b>(9.4%)</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 137,273</b>	<b>\$ 131,926</b>	<b>\$ 5,347</b>	<b>4.1%</b>

## Appendix | Delaney Balance Sheet

\$'000	May-20		Variance	
	Act	Bud	\$	%
<b><u>Current Assets</u></b>				
Cash and cash equivalents	\$ 4,489	\$ 500	\$ 3,989	797.7%
<i>Accounts receivable, gross</i>	4,713	—	4,713	N/A
<i>Accounts receivable, reserves</i>	(29)	—	(29)	N/A
Accounts receivable, net	4,685	4,045	639	15.8%
<i>Inventory, gross</i>	9,768	10,905	(1,137)	(10.4%)
<i>Inventory, reserves</i>	(1,453)	(1,978)	524	(26.5%)
Inventory, net	8,315	8,927	(612)	(6.9%)
Prepaid expenses and other current assets	103	184	(81)	(43.9%)
<b>Total Current Assets</b>	<b>17,591</b>	<b>13,656</b>	<b>3,935</b>	<b>28.8%</b>
<b><u>Non-Current Assets</u></b>				
<i>Property, plant &amp; equipment, gross</i>	1,696	1,759	(62)	(3.6%)
<i>Accumulated depreciation</i>	(849)	(858)	9	(1.1%)
Property, plant & equipment, net	848	901	(53)	(5.9%)
Goodwill	17,918	17,685	232	1.3%
Deferred tax asset	644	672	(27)	(4.1%)
<b>Total Non-Current Assets</b>	<b>19,410</b>	<b>19,258</b>	<b>152</b>	<b>0.8%</b>
<b>Total Assets</b>	<b>\$ 37,001</b>	<b>\$ 32,914</b>	<b>\$ 4,086</b>	<b>12.4%</b>
<b><u>Current Liabilities</u></b>				
Accounts payable	349	642	(292)	(45.6%)
Accrued liabilities	993	995	(1)	(0.1%)
Accrued compensation	(708)	489	(1,197)	(244.9%)
Income taxes payable	(8)	7	(14)	(216.1%)
<b>Total Current Liabilities</b>	<b>627</b>	<b>2,131</b>	<b>(1,505)</b>	<b>(70.6%)</b>
<b><u>Long-term liabilities</u></b>				
Other non-current liabilities	10,123	6,027	4,097	68.0%
<b>Total Long-Term Liabilities</b>	<b>10,123</b>	<b>6,027</b>	<b>4,097</b>	<b>68.0%</b>
<b>Total Liabilities</b>	<b>10,750</b>	<b>8,158</b>	<b>2,592</b>	<b>31.8%</b>
<b><u>Shareholders' Equity</u></b>				
Common stock	21,900	21,900	—	0.0%
Retained earnings	4,351	2,857	1,494	52.3%
<b>Total Shareholders' Equity</b>	<b>26,251</b>	<b>24,757</b>	<b>1,494</b>	<b>6.0%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 37,001</b>	<b>\$ 32,914</b>	<b>\$ 4,087</b>	<b>12.4%</b>

## Appendix | Delaney Inventory Trend



## Appendix | Premier Balance Sheet

\$'000	May-20		Variance	
	Act	Bud	\$	%
<b><u>Current Assets</u></b>				
Cash and cash equivalents	\$ 1,212	\$ 300	\$ 912	304.0%
Accounts receivable, net	1,702	1,837	(135)	(7.3%)
<i>Inventory, gross</i>	3,171	3,334	(163)	(4.9%)
<i>Inventory, reserves</i>	(177)	(177)	–	0.0%
Inventory, net	2,994	3,157	(163)	(5.2%)
Prepaid expenses and other current assets	125	44	81	182.3%
<b>Total Current Assets</b>	<b>6,033</b>	<b>5,338</b>	<b>695</b>	<b>13.0%</b>
<b><u>Non-Current Assets</u></b>				
<i>Property, plant &amp; equipment, gross</i>	1,201	1,123	78	6.9%
<i>Accumulated depreciation</i>	(251)	(253)	3	(1.1%)
Property, plant & equipment, net	950	870	80	9.3%
Goodwill	5,860	5,548	312	5.6%
<b>Total Non-Current Assets</b>	<b>6,810</b>	<b>6,418</b>	<b>392</b>	<b>6.1%</b>
<b>Total Assets</b>	<b>\$ 12,843</b>	<b>\$ 11,756</b>	<b>\$ 1,087</b>	<b>9.2%</b>
<b><u>Current Liabilities</u></b>				
Accounts payable	604	783	(179)	(22.8%)
Accrued liabilities	156	283	(126)	(44.7%)
Accrued compensation	201	161	40	25.0%
Income taxes payable	877	627	250	40.0%
<b>Total Current Liabilities</b>	<b>1,839</b>	<b>1,853</b>	<b>(14)</b>	<b>(0.8%)</b>
<b><u>Long-term liabilities</u></b>				
Capital lease	53	–	53	N/A
Deferred income taxes	(250)	–	(250)	N/A
Other non-current liabilities	(6,774)	(6,950)	176	(2.5%)
<b>Total Long-Term Liabilities</b>	<b>(6,971)</b>	<b>(6,950)</b>	<b>(22)</b>	<b>0.3%</b>
<b>Total Liabilities</b>	<b>(5,133)</b>	<b>(5,097)</b>	<b>(36)</b>	<b>0.7%</b>
<b><u>Shareholders' Equity</u></b>				
Common stock	–	10,597	(10,597)	(100.0%)
Retained earnings	7,379	6,255	1,123	18.0%
Other equity transactions	10,597	–	10,597	N/A
<b>Total Shareholders' Equity</b>	<b>17,976</b>	<b>16,852</b>	<b>1,123</b>	<b>6.7%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 12,843</b>	<b>\$ 11,756</b>	<b>\$ 1,087</b>	<b>9.2%</b>



## Appendix | S&G Cash Flow Statement

\$'000	YTD		Variance	
	Act	Bud	\$	%
<b><i>Cash flow from operations</i></b>				
Net Income (Loss)	\$ (5,837)	\$ (1,976)	\$ (3,861)	195.4%
Depreciation, amortization and other	1,892	2,290	(398)	(17.4%)
<i>Change in operating assets and liabilities:</i>				
Accounts receivable	(1,047)	(1,827)	780	(42.7%)
Inventory	480	(65)	545	(832.7%)
Prepaid expenses and other current assets	176	–	176	N/A
Accounts payable	(235)	756	(991)	(131.1%)
Accrued expenses	(342)	–	(342)	N/A
Accrued income taxes	72	–	72	N/A
Other changes in operating assets and liabilities	548	–	548	N/A
<b>Total Cash Flow from Operations</b>	<b>\$ (4,293)</b>	<b>\$ (822)</b>	<b>\$ (3,471)</b>	<b>422.1%</b>
<b><i>Cash flow from investing</i></b>				
Additions to property, plant and equipment	\$ (48)	\$ (670)	\$ 622	(92.8%)
<b>Total Cash Flow from Investing</b>	<b>\$ (48)</b>	<b>\$ (670)</b>	<b>\$ 622</b>	<b>(92.8%)</b>
<b><i>Cash flow from financing</i></b>				
Proceeds from the issuance (repayment) of short-term det	\$ 10,000	\$ –	\$ 10,000	N/A
Other cash flow from financing costs	1,004	135	869	644.0%
<b>Total Cash Flow from Financing</b>	<b>\$ 11,004</b>	<b>\$ (88)</b>	<b>\$ 11,092</b>	<b>(12605.1%)</b>
	<b>\$ –</b>	<b>\$ –</b>	<b>\$ –</b>	<b>N/A</b>
<b>Net change in cash</b>	<b>\$ 6,663</b>	<b>\$ (1,581)</b>	<b>\$ 8,243</b>	<b>(521.5%)</b>
Beginning cash	1,606	1,606	–	0.0%
Change in cash	6,663	(1,581)	8,243	(521.5%)
<b>Ending cash</b>	<b>\$ 8,269</b>	<b>\$ 26</b>	<b>\$ 8,243</b>	<b>32026.2%</b>

# Appendix | Delaney Cash Flow Statement

\$'000	YTD		Variance		PY YTD		Variance	
	Act	Bud	\$	%	Act	\$	%	
<b>Cash flow from operations</b>								
Net Income (Loss)	\$ 2,158	\$ 1,188	\$ 970	81.7%	\$ 607	\$ 1,551	255.5%	
Depreciation, amortization and other	1,105	1,346	(241)	(17.9%)	1,302	(197)	(15.1%)	
<i>Change in operating assets and liabilities:</i>								
Accounts receivable	(710)	(71)	(639)	898.1%	(826)	115	(13.9%)	
Inventory	1,509	897	612	68.3%	(1,075)	2,583	(240.4%)	
Prepaid expenses and other current assets	89	8	81	952.2%	(15)	104	(695.7%)	
Accounts payable	(208)	84	(292)	(347.8%)	(313)	105	(33.4%)	
Accrued expenses	(124)	(123)	(1)	1.1%	(136)	12	(9.0%)	
Accrued income taxes	—	14	(14)	(100.0%)	(8)	8	(100.0%)	
Other changes in operating assets and liabilities	64	(2,863)	2,928	(102.2%)	441	(377)	(85.4%)	
<b>Total Cash Flow from Operations</b>	<b>\$ 3,882</b>	<b>\$ 480</b>	<b>\$ 3,402</b>	<b>708.8%</b>	<b>\$ (22)</b>	<b>\$ 3,904</b>	<b>(17699.2%)</b>	
<b>Cash flow from investing</b>								
Additions to property, plant and equipment	\$ (63)	\$ (125)	\$ 62	(50.0%)	\$ (160)	\$ 98	(61.0%)	
<b>Total Cash Flow from Investing</b>	<b>\$ (63)</b>	<b>\$ (125)</b>	<b>\$ 62</b>	<b>(50.0%)</b>	<b>\$ (160)</b>	<b>\$ 98</b>	<b>(61.0%)</b>	
<b>Cash flow from financing</b>								
Common stock issued (repurchased)	—	—	—	N/A	—	—	N/A	
Other cash flow from financing costs	0	(524)	524	(100.0%)	105	(105)	(100.0%)	
<b>Total Cash Flow from Financing</b>	<b>\$ 0</b>	<b>\$ (524)</b>	<b>\$ 524</b>	<b>(100.0%)</b>	<b>\$ 105</b>	<b>\$ (105)</b>	<b>(100.0%)</b>	
<b>Net change in cash</b>	<b>\$ 3,819</b>	<b>\$ (169)</b>	<b>\$ 3,989</b>	<b>(2355.8%)</b>	<b>\$ (77)</b>	<b>\$ 3,897</b>	<b>(5047.8%)</b>	
Beginning cash	669	669	—	0.0%	325	344	106.0%	
Change in cash	3,819	(169)	3,989	(2355.8%)	(77)	3,897	(5047.8%)	
<b>Ending cash</b>	<b>\$ 4,489</b>	<b>\$ 500</b>	<b>\$ 3,989</b>	<b>797.8%</b>	<b>\$ 248</b>	<b>\$ 4,241</b>	<b>1712.4%</b>	

# Appendix | Premier Cash Flow Statement

\$'000	YTD		Variance		PY YTD		Variance	
	Act	Bud	\$	%	Act	\$		%
<b>Cash flow from operations</b>								
Net Income (Loss)	\$ 2,129	\$ 1,005	\$ 1,123	111.7%	\$ 1,352	\$ 777		57.5%
Depreciation, amortization and other	62	376	(314)	(83.6%)	355	(293)		(82.5%)
<i>Change in operating assets and liabilities:</i>								
Accounts receivable	29	(106)	135	(127.6%)	(395)	424		(107.4%)
Inventory	(111)	(274)	163	(59.6%)	(399)	289		(72.3%)
Prepaid expenses and other current assets	(81)	(0)	(81)	404430700.2%	5	(85)		(1865.7%)
Accounts payable	259	438	(179)	(40.8%)	835	(576)		(68.9%)
Accrued expenses	(112)	14	(126)	(881.9%)	(81)	(31)		38.7%
Accrued income taxes	–	(250)	250	(100.0%)	–	–		N/A
Other changes in operating assets and liabilities	(1,082)	(1,101)	19	(1.7%)	(1,396)	314		(22.5%)
<b>Total Cash Flow from Operations</b>	<b>\$ 1,093</b>	<b>\$ 104</b>	<b>\$ 990</b>	<b>955.3%</b>	<b>\$ 275</b>	<b>\$ 819</b>		<b>297.9%</b>
<b>Cash flow from investing</b>								
Additions to property, plant and equipment	\$ (191)	\$ (113)	\$ (78)	68.7%	\$ (153)	\$ (37)		24.3%
<b>Total Cash Flow from Investing</b>	<b>\$ (191)</b>	<b>\$ (113)</b>	<b>\$ (78)</b>	<b>68.7%</b>	<b>\$ (153)</b>	<b>\$ (37)</b>		<b>24.3%</b>
<b>Cash flow from financing</b>								
Common stock issued (repurchased)	–	10,597	(10,597)	(100.0%)	–	–		N/A
Other cash flow from financing costs	(0)	(10,597)	10,597	(100.0%)	(111)	111		(100.0%)
<b>Total Cash Flow from Financing</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>(100.0%)</b>	<b>\$ (111)</b>	<b>\$ 111</b>		<b>(100.0%)</b>
<b>Net change in cash</b>	<b>\$ 903</b>	<b>\$ (9)</b>	<b>\$ 912</b>	<b>(9663.1%)</b>	<b>\$ 10</b>	<b>\$ 893</b>		<b>9035.3%</b>
Beginning cash	309	309	–	0.0%	11	298		2719.7%
Change in cash	903	(9)	912	(9663.1%)	10	893		9035.3%
<b>Ending cash</b>	<b>\$ 1,212</b>	<b>\$ 300</b>	<b>\$ 912</b>	<b>304.0%</b>	<b>\$ 21</b>	<b>\$ 1,191</b>		<b>5711.9%</b>

## Appendix | Consolidated Full Year Outlook | Summary P&L

\$'000	FY		Variance		PY	Variance	
	Fcst	Bud	\$	%	Act	\$	%
<b>Net Revenue</b>	<b>101,237</b>	<b>104,066</b>	<b>(2,829)</b>	<b>(2.7%)</b>	<b>95,854</b>	<b>5,383</b>	<b>5.6%</b>
Material	43,618	44,099	(481)	(1.1%)	41,644	1,974	4.7%
Labor	11,731	12,207	(477)	(3.9%)	11,466	265	2.3%
Other COGS	4,895	5,107	(212)	(4.2%)	4,928	(34)	(0.7%)
<b>Total COGS</b>	<b>60,244</b>	<b>61,414</b>	<b>(1,170)</b>	<b>(1.9%)</b>	<b>58,038</b>	<b>2,205</b>	<b>3.8%</b>
<b>Gross Margin</b>	<b>40,994</b>	<b>42,653</b>	<b>(1,659)</b>	<b>(3.9%)</b>	<b>37,816</b>	<b>3,178</b>	<b>8.4%</b>
<i>Gross Margin %</i>	<i>40.5%</i>	<i>41.0%</i>			<i>39.5%</i>		
R&D	2,085	2,420	(335)	(13.9%)	1,495	590	39.4%
Sales & Marketing	8,671	9,687	(1,016)	(10.5%)	7,795	876	11.2%
Administrative	9,367	9,079	288	3.2%	13,894	(4,528)	(32.6%)
Other Opex	–	–	–	N/A	–	–	N/A
<b>Total Opex</b>	<b>20,122</b>	<b>21,186</b>	<b>(1,064)</b>	<b>(5.0%)</b>	<b>23,184</b>	<b>(3,062)</b>	<b>(13.2%)</b>
<b>EBITDA</b>	<b>20,871</b>	<b>21,466</b>	<b>(595)</b>	<b>(2.8%)</b>	<b>14,632</b>	<b>6,239</b>	<b>42.6%</b>
<i>EBITDA %</i>	<i>20.6%</i>	<i>20.6%</i>			<i>15.3%</i>		
<b>Adj. EBITDA</b>	<b>22,440</b>	<b>23,015</b>	<b>(576)</b>	<b>(2.5%)</b>	<b>21,697</b>	<b>742</b>	<b>3.4%</b>
<i>Adj. EBITDA %</i>	<i>22.2%</i>	<i>22.1%</i>			<i>22.6%</i>		
<b>Net Income (Loss)</b>	<b>\$ 3,831</b>	<b>\$ 5,599</b>	<b>\$ (1,767)</b>	<b>(31.6%)</b>	<b>\$ 3,173</b>	<b>\$ 658</b>	<b>20.7%</b>

Fcst = YTD Actuals plus Budget

## Appendix | S&G Full Year Outlook | Summary P&L

\$'000	FY		Variance		PY	Variance	
	Fcst	Bud	\$	%	Rfc / Act	\$	%
<b>Net Revenue</b>	<b>41,892</b>	<b>45,377</b>	<b>(3,485)</b>	<b>(7.7%)</b>	<b>42,122</b>	<b>(229)</b>	<b>(0.5%)</b>
Material	15,476	16,066	(590)	(3.7%)	15,580	(104)	(0.7%)
Labor	6,608	7,020	(413)	(5.9%)	6,746	(139)	(2.1%)
Other COGS	2,355	2,434	(79)	(3.3%)	2,528	(173)	(6.9%)
<b>Total COGS</b>	<b>24,438</b>	<b>25,520</b>	<b>(1,083)</b>	<b>(4.2%)</b>	<b>24,854</b>	<b>(416)</b>	<b>(1.7%)</b>
<b>Gross Margin</b>	<b>17,455</b>	<b>19,857</b>	<b>(2,402)</b>	<b>(12.1%)</b>	<b>17,268</b>	<b>187</b>	<b>1.1%</b>
<i>Gross Margin %</i>	<i>41.7%</i>	<i>43.8%</i>			<i>41.0%</i>		
R&D	2,085	2,420	(335)	(13.9%)	1,495	590	39.4%
Sales & Marketing	4,676	5,644	(968)	(17.2%)	3,929	747	19.0%
Administrative	3,181	2,813	368	13.1%	8,366	(5,185)	(62.0%)
Other Opex	—	—	—	N/A	—	—	N/A
<b>Total Opex</b>	<b>9,941</b>	<b>10,877</b>	<b>(936)</b>	<b>(8.6%)</b>	<b>13,790</b>	<b>(3,849)</b>	<b>(27.9%)</b>
<b>EBITDA</b>	<b>7,513</b>	<b>8,980</b>	<b>(1,467)</b>	<b>(16.3%)</b>	<b>3,477</b>	<b>4,036</b>	<b>116.1%</b>
<i>EBITDA %</i>	<i>17.9%</i>	<i>19.8%</i>			<i>8.3%</i>		
<b>Adj. EBITDA</b>	<b>9,016</b>	<b>10,529</b>	<b>(1,513)</b>	<b>(14.4%)</b>	<b>10,077</b>	<b>(1,061)</b>	<b>(10.5%)</b>
<i>Adj. EBITDA %</i>	<i>21.5%</i>	<i>23.2%</i>			<i>23.9%</i>		
<b>Net Income (Loss)</b>	<b>\$ (4,690)</b>	<b>\$ (829)</b>	<b>\$ (3,861)</b>	<b>465.6%</b>	<b>\$ (2,628)</b>	<b>\$ (2,062)</b>	<b>78.5%</b>

Fcst = YTD Actuals plus Budget

# Appendix | S&G Full Year Outlook | Monthly P&L

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Net Revenue</b>	<b>4,147</b>	<b>3,290</b>	<b>2,115</b>	<b>2,766</b>	<b>2,001</b>	<b>3,404</b>	<b>4,273</b>	<b>3,535</b>	<b>4,245</b>	<b>4,777</b>	<b>3,465</b>	<b>3,873</b>	<b>41,892</b>	<b>45,377</b>	<b>(3,485)</b>	<b>(7.7%)</b>
Material	1,622	1,250	665	1,161	979	1,228	1,491	1,229	1,547	1,696	1,226	1,384	15,476	16,066	(590)	(3.7%)
Labor	631	538	492	467	368	549	664	546	549	658	543	602	6,608	7,020	(413)	(5.9%)
Other COGS	226	312	403	221	(157)	191	214	204	185	200	177	179	2,355	2,434	(79)	(3.3%)
<b>Total COGS</b>	<b>2,479</b>	<b>2,100</b>	<b>1,560</b>	<b>1,849</b>	<b>1,189</b>	<b>1,969</b>	<b>2,369</b>	<b>1,978</b>	<b>2,280</b>	<b>2,553</b>	<b>1,946</b>	<b>2,165</b>	<b>24,438</b>	<b>25,520</b>	<b>(1,083)</b>	<b>(4.2%)</b>
<b>Gross Margin</b>	<b>1,667</b>	<b>1,190</b>	<b>555</b>	<b>918</b>	<b>812</b>	<b>1,435</b>	<b>1,904</b>	<b>1,557</b>	<b>1,965</b>	<b>2,224</b>	<b>1,519</b>	<b>1,708</b>	<b>17,455</b>	<b>19,857</b>	<b>(2,402)</b>	<b>(12.1%)</b>
<i>Gross Margin %</i>	<i>40.2%</i>	<i>36.2%</i>	<i>26.3%</i>	<i>33.2%</i>	<i>40.6%</i>	<i>42.2%</i>	<i>44.6%</i>	<i>44.0%</i>	<i>46.3%</i>	<i>46.6%</i>	<i>43.8%</i>	<i>44.1%</i>	<i>41.7%</i>	<i>43.8%</i>		
R&D	212	201	79	197	96	144	161	198	156	274	151	215	2,085	2,420	(335)	(13.9%)
Sales & Marketing	447	347	333	342	248	439	485	396	380	448	405	405	4,676	5,644	(968)	(17.2%)
Administrative	325	405	276	515	262	218	237	178	183	210	185	188	3,181	2,813	368	13.1%
Other Opex	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
<b>Total Opex</b>	<b>984</b>	<b>954</b>	<b>688</b>	<b>1,053</b>	<b>606</b>	<b>801</b>	<b>883</b>	<b>772</b>	<b>719</b>	<b>932</b>	<b>741</b>	<b>808</b>	<b>9,941</b>	<b>10,877</b>	<b>(936)</b>	<b>(8.6%)</b>
<b>EBITDA</b>	<b>683</b>	<b>236</b>	<b>(133)</b>	<b>(135)</b>	<b>206</b>	<b>634</b>	<b>1,021</b>	<b>785</b>	<b>1,246</b>	<b>1,292</b>	<b>778</b>	<b>899</b>	<b>7,513</b>	<b>8,980</b>	<b>(1,467)</b>	<b>(16.3%)</b>
<i>EBITDA %</i>	<i>16.5%</i>	<i>7.2%</i>	<i>(6.3%)</i>	<i>(4.9%)</i>	<i>10.3%</i>	<i>18.6%</i>	<i>23.9%</i>	<i>22.2%</i>	<i>29.4%</i>	<i>27.1%</i>	<i>22.4%</i>	<i>23.2%</i>	<i>17.9%</i>	<i>19.8%</i>		
<b>Adj. EBITDA</b>	<b>928</b>	<b>530</b>	<b>58</b>	<b>197</b>	<b>353</b>	<b>695</b>	<b>1,076</b>	<b>858</b>	<b>1,271</b>	<b>1,315</b>	<b>811</b>	<b>924</b>	<b>9,016</b>	<b>10,529</b>	<b>(1,513)</b>	<b>(14.4%)</b>
<i>Adj. EBITDA %</i>	<i>22.4%</i>	<i>16.1%</i>	<i>2.7%</i>	<i>7.1%</i>	<i>17.7%</i>	<i>20.4%</i>	<i>25.2%</i>	<i>24.3%</i>	<i>29.9%</i>	<i>27.5%</i>	<i>23.4%</i>	<i>23.9%</i>	<i>21.5%</i>	<i>23.2%</i>		
<b>Net Income (Loss)</b>	<b>\$ (616)</b>	<b>\$ (900)</b>	<b>\$ (1,454)</b>	<b>\$ (1,851)</b>	<b>\$ (1,015)</b>	<b>\$ (82)</b>	<b>\$ 57</b>	<b>\$ 71</b>	<b>\$ 529</b>	<b>\$ 326</b>	<b>\$ 62</b>	<b>\$ 183</b>	<b>\$ (4,690)</b>	<b>\$ (829)</b>	<b>\$ (3,861)</b>	<b>465.6%</b>

Fcst = YTD Actuals plus Budget

# Appendix | S&G Full Year Outlook | Monthly CoGS by Component

\$'000	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Material</b>																
Material costs at standard	\$ 1,579	\$ 1,164	\$ 630	\$ 1,133	\$ 895	\$ 1,250	\$ 1,494	\$ 1,171	\$ 1,480	\$ 1,655	\$ 1,265	\$ 1,341	\$ 15,057	\$ 15,969	\$ (912)	(5.7%)
Purchase price variance	(38)	(13)	4	(23)	31	(103)	(69)	(23)	(23)	(29)	(113)	(53)	(452)	(800)	348	(43.6%)
Freight in	44	77	69	69	75	73	57	73	81	62	66	88	835	801	34	4.2%
Cost revision	–	–	–	–	–	10	10	10	10	10	10	10	70	120	(50)	(41.7%)
Scrap costs	(13)	19	(12)	(12)	(10)	(9)	(12)	(9)	(9)	(12)	(9)	(9)	(97)	(120)	23	(19.4%)
Consumables	50	3	(26)	(8)	(13)	7	9	7	7	9	7	7	61	96	(35)	(36.2%)
<b>Total Material COGS</b>	<b>\$ 1,622</b>	<b>\$ 1,250</b>	<b>\$ 665</b>	<b>\$ 1,161</b>	<b>\$ 979</b>	<b>\$ 1,228</b>	<b>\$ 1,491</b>	<b>\$ 1,229</b>	<b>\$ 1,547</b>	<b>\$ 1,696</b>	<b>\$ 1,226</b>	<b>\$ 1,384</b>	<b>\$ 15,476</b>	<b>\$ 16,066</b>	<b>\$ (590)</b>	<b>(3.7%)</b>
<b>Labor</b>																
Direct labor	\$ 270	\$ 232	\$ 209	\$ 179	\$ 137	\$ 242	\$ 301	\$ 237	\$ 240	\$ 294	\$ 234	\$ 280	\$ 2,855	\$ 3,084	\$ (229)	(7.4%)
Direct labor - overtime	19	11	5	0	0	29	37	27	27	35	27	27	242	349	(107)	(30.5%)
Direct labor - benefits	75	75	69	66	88	106	114	109	109	116	109	114	1,150	1,356	(206)	(15.2%)
Indirect labor	191	155	147	160	109	145	182	145	145	182	145	153	1,860	1,870	(10)	(0.5%)
Indirect labor – benefits	76	66	62	61	31	28	31	28	28	31	28	28	498	361	137	37.9%
<b>Total Labor COGS</b>	<b>\$ 631</b>	<b>\$ 538</b>	<b>\$ 492</b>	<b>\$ 467</b>	<b>\$ 368</b>	<b>\$ 549</b>	<b>\$ 664</b>	<b>\$ 546</b>	<b>\$ 549</b>	<b>\$ 658</b>	<b>\$ 543</b>	<b>\$ 602</b>	<b>\$ 6,608</b>	<b>\$ 7,020</b>	<b>\$ (413)</b>	<b>(5.9%)</b>
<b>Other</b>																
Repairs and maintenance	\$ 24	\$ 21	\$ 21	\$ 12	\$ 10	\$ 17	\$ 20	\$ 17	\$ 17	\$ 20	\$ 17	\$ 17	\$ 213	\$ 216	\$ (3)	(1.4%)
Absorption	–	–	–	–	(324)	–	–	–	–	–	–	–	(324)	–	(324)	N/A
Freight out	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
Rent / facilities	141	151	251	211	118	92	111	90	92	111	95	96	1,562	1,188	374	31.4%
Utilities	21	23	22	22	17	25	21	22	21	21	24	25	265	279	(13)	(4.8%)
Other cost of sales	39	117	109	(24)	23	57	62	74	54	47	40	40	639	751	(112)	(15.0%)
<b>Total Other COGS</b>	<b>\$ 226</b>	<b>\$ 312</b>	<b>\$ 403</b>	<b>\$ 221</b>	<b>\$ (157)</b>	<b>\$ 191</b>	<b>\$ 214</b>	<b>\$ 204</b>	<b>\$ 185</b>	<b>\$ 200</b>	<b>\$ 177</b>	<b>\$ 179</b>	<b>\$ 2,354</b>	<b>\$ 2,434</b>	<b>\$ (80)</b>	<b>(3.3%)</b>
<b>Total COGS</b>	<b>\$ 2,479</b>	<b>\$ 2,100</b>	<b>\$ 1,560</b>	<b>\$ 1,849</b>	<b>\$ 1,189</b>	<b>\$ 1,969</b>	<b>\$ 2,369</b>	<b>\$ 1,978</b>	<b>\$ 2,280</b>	<b>\$ 2,553</b>	<b>\$ 1,946</b>	<b>\$ 2,165</b>	<b>\$ 24,438</b>	<b>\$ 25,520</b>	<b>\$ (1,083)</b>	<b>(12.8%)</b>

Fcst = YTD Actuals plus Budget

## Appendix | Delaney Full Year Outlook | Summary P&L

\$'000	FY		Variance		PY	Variance	
	Fcst	Bud	\$	%	Act	\$	%
<b>Net Revenue</b>	<b>40,493</b>	<b>40,098</b>	<b>395</b>	<b>1.0%</b>	<b>36,656</b>	<b>3,837</b>	<b>10.5%</b>
Material	21,317	21,070	246	1.2%	19,760	1,557	7.9%
Labor	1,103	1,200	(97)	(8.1%)	956	147	15.3%
Other COGS	2,297	2,301	(3)	(0.1%)	2,137	160	7.5%
<b>Total COGS</b>	<b>24,717</b>	<b>24,571</b>	<b>146</b>	<b>0.6%</b>	<b>22,853</b>	<b>1,864</b>	<b>8.2%</b>
<b>Gross Margin</b>	<b>15,776</b>	<b>15,527</b>	<b>249</b>	<b>1.6%</b>	<b>13,802</b>	<b>1,973</b>	<b>14.3%</b>
<i>Gross Margin %</i>	<i>39.0%</i>	<i>38.7%</i>			<i>37.7%</i>		
Sales & Marketing	3,195	3,362	(167)	(5.0%)	2,998	197	6.6%
Administrative	4,483	4,465	18	0.4%	4,080	403	9.9%
<b>Total Opex</b>	<b>7,678</b>	<b>7,827</b>	<b>(148)</b>	<b>(1.9%)</b>	<b>7,079</b>	<b>600</b>	<b>8.5%</b>
<b>EBITDA</b>	<b>8,097</b>	<b>7,700</b>	<b>397</b>	<b>5.2%</b>	<b>6,724</b>	<b>1,374</b>	<b>20.4%</b>
<i>EBITDA %</i>	<i>20.0%</i>	<i>19.2%</i>			<i>18.3%</i>		
<b>Adj. EBITDA</b>	<b>8,160</b>	<b>7,700</b>	<b>460</b>	<b>6.0%</b>	<b>7,190</b>	<b>970</b>	<b>13.5%</b>
<i>Adj. EBITDA %</i>	<i>20.2%</i>	<i>19.2%</i>			<i>19.6%</i>		
<b>Net Income (Loss)</b>	<b>\$ 4,447</b>	<b>\$ 3,477</b>	<b>\$ 970</b>	<b>27.9%</b>	<b>\$ 2,327</b>	<b>\$ 2,120</b>	<b>91.1%</b>

Fcst = YTD Actuals plus Budget



# Appendix | Delaney Full Year Outlook | Monthly P&L

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Net Revenue</b>	<b>3,240</b>	<b>3,369</b>	<b>3,508</b>	<b>3,344</b>	<b>3,172</b>	<b>3,570</b>	<b>3,428</b>	<b>3,264</b>	<b>3,347</b>	<b>3,621</b>	<b>3,097</b>	<b>3,533</b>	<b>40,493</b>	<b>40,098</b>	<b>395</b>	<b>1.0%</b>
Material	1,710	1,843	1,893	1,715	1,651	1,955	1,779	1,696	1,729	1,931	1,595	1,820	21,317	21,070	246	1.2%
Labor	81	69	84	79	74	101	104	104	101	104	101	104	1,103	1,200	(97)	(8.1%)
Other COGS	190	190	191	195	178	193	196	189	191	200	182	201	2,297	2,301	(3)	(0.1%)
<b>Total COGS</b>	<b>1,981</b>	<b>2,103</b>	<b>2,168</b>	<b>1,990</b>	<b>1,903</b>	<b>2,249</b>	<b>2,079</b>	<b>1,989</b>	<b>2,021</b>	<b>2,234</b>	<b>1,878</b>	<b>2,124</b>	<b>24,717</b>	<b>24,571</b>	<b>146</b>	<b>0.6%</b>
<b>Gross Margin</b>	<b>1,259</b>	<b>1,266</b>	<b>1,340</b>	<b>1,354</b>	<b>1,269</b>	<b>1,322</b>	<b>1,349</b>	<b>1,276</b>	<b>1,326</b>	<b>1,387</b>	<b>1,219</b>	<b>1,409</b>	<b>15,776</b>	<b>15,527</b>	<b>249</b>	<b>1.6%</b>
<i>Gross Margin %</i>	<i>38.9%</i>	<i>37.6%</i>	<i>38.2%</i>	<i>40.5%</i>	<i>40.0%</i>	<i>37.0%</i>	<i>39.4%</i>	<i>39.1%</i>	<i>39.6%</i>	<i>38.3%</i>	<i>39.4%</i>	<i>39.9%</i>	<i>39.0%</i>	<i>38.7%</i>		
Sales & Marketing	388	280	295	222	194	274	268	251	264	252	258	249	3,195	3,362	(167)	(5.0%)
Administrative	358	350	356	420	359	364	376	372	405	373	365	386	4,483	4,465	18	0.4%
<b>Total Opex</b>	<b>746</b>	<b>630</b>	<b>651</b>	<b>642</b>	<b>553</b>	<b>638</b>	<b>643</b>	<b>623</b>	<b>668</b>	<b>625</b>	<b>623</b>	<b>636</b>	<b>7,678</b>	<b>7,827</b>	<b>(148)</b>	<b>(1.9%)</b>
<b>EBITDA</b>	<b>513</b>	<b>636</b>	<b>690</b>	<b>712</b>	<b>716</b>	<b>684</b>	<b>706</b>	<b>653</b>	<b>657</b>	<b>762</b>	<b>595</b>	<b>773</b>	<b>8,097</b>	<b>7,700</b>	<b>397</b>	<b>5.2%</b>
<i>EBITDA %</i>	<i>15.8%</i>	<i>18.9%</i>	<i>19.7%</i>	<i>21.3%</i>	<i>22.6%</i>	<i>19.2%</i>	<i>20.6%</i>	<i>20.0%</i>	<i>19.6%</i>	<i>21.0%</i>	<i>19.2%</i>	<i>21.9%</i>	<i>20.0%</i>	<i>19.2%</i>		
<b>Adj. EBITDA</b>	<b>513</b>	<b>656</b>	<b>696</b>	<b>735</b>	<b>728</b>	<b>684</b>	<b>706</b>	<b>653</b>	<b>657</b>	<b>762</b>	<b>595</b>	<b>773</b>	<b>8,160</b>	<b>7,700</b>	<b>460</b>	<b>6.0%</b>
<i>Adj. EBITDA %</i>	<i>15.8%</i>	<i>19.5%</i>	<i>19.8%</i>	<i>22.0%</i>	<i>23.0%</i>	<i>19.2%</i>	<i>20.6%</i>	<i>20.0%</i>	<i>19.6%</i>	<i>21.0%</i>	<i>19.2%</i>	<i>21.9%</i>	<i>20.2%</i>	<i>19.2%</i>		
<b>Net Income (Loss)</b>	<b>\$ 477</b>	<b>\$ 368</b>	<b>\$ 418</b>	<b>\$ 445</b>	<b>\$ 449</b>	<b>\$ 323</b>	<b>\$ 340</b>	<b>\$ 298</b>	<b>\$ 302</b>	<b>\$ 383</b>	<b>\$ 252</b>	<b>\$ 391</b>	<b>\$ 4,447</b>	<b>\$ 3,477</b>	<b>\$ 970</b>	<b>27.9%</b>

Fcst = YTD Actuals plus Budget

## Appendix | Premier Full Year Outlook | Summary P&L

\$'000	FY		Variance		PY	Variance	
	Fcst	Bud	\$	%	Act	\$	%
<b>Net Revenue</b>	<b>20,635</b>	<b>20,431</b>	<b>204</b>	<b>1.0%</b>	<b>18,885</b>	<b>1,750</b>	<b>9.3%</b>
Material	8,609	8,803	(194)	(2.2%)	8,149	459	5.6%
Labor	4,020	3,987	34	0.8%	3,763	257	6.8%
Other COGS	243	373	(130)	(34.9%)	264	(21)	(7.9%)
<b>Total COGS</b>	<b>12,872</b>	<b>13,162</b>	<b>(291)</b>	<b>(2.2%)</b>	<b>12,176</b>	<b>696</b>	<b>5.7%</b>
<b>Gross Margin</b>	<b>7,763</b>	<b>7,269</b>	<b>494</b>	<b>6.8%</b>	<b>6,709</b>	<b>1,054</b>	<b>15.7%</b>
<i>Gross Margin %</i>	<i>37.6%</i>	<i>35.6%</i>			<i>35.5%</i>		
Sales & Marketing	800	682	118	17.4%	867	(67)	(7.7%)
Administrative	1,702	1,801	(99)	(5.5%)	1,448	254	17.6%
<b>Total Opex</b>	<b>2,502</b>	<b>2,482</b>	<b>20</b>	<b>0.8%</b>	<b>2,315</b>	<b>187</b>	<b>8.1%</b>
<b>EBITDA</b>	<b>5,261</b>	<b>4,786</b>	<b>475</b>	<b>9.9%</b>	<b>4,394</b>	<b>867</b>	<b>19.7%</b>
<i>EBITDA %</i>	<i>25.5%</i>	<i>23.4%</i>			<i>23.3%</i>		
<b>Adj. EBITDA</b>	<b>5,264</b>	<b>4,786</b>	<b>477</b>	<b>10.0%</b>	<b>4,394</b>	<b>870</b>	<b>19.8%</b>
<i>Adj. EBITDA %</i>	<i>25.5%</i>	<i>23.4%</i>			<i>23.3%</i>		
<b>Net Income (Loss)</b>	<b>\$ 4,075</b>	<b>\$ 2,951</b>	<b>\$ 1,123</b>	<b>38.1%</b>	<b>\$ 3,437</b>	<b>\$ 638</b>	<b>18.6%</b>

Fcst = YTD Actuals plus Budget

# Appendix | Premier Full Year Outlook | Monthly P&L

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Net Revenue</b>	<b>1,790</b>	<b>1,640</b>	<b>1,560</b>	<b>1,555</b>	<b>1,680</b>	<b>1,782</b>	<b>1,719</b>	<b>1,960</b>	<b>1,801</b>	<b>1,959</b>	<b>1,550</b>	<b>1,639</b>	<b>20,635</b>	<b>20,431</b>	<b>204</b>	<b>1.0%</b>
Material	730	668	614	608	653	766	740	839	774	838	671	707	8,609	8,803	(194)	(2.2%)
Labor	367	331	326	352	339	341	341	333	340	338	331	282	4,020	3,987	34	0.8%
Other COGS	19	(11)	17	3	2	30	31	28	30	28	33	32	243	373	(130)	(34.9%)
<b>Total COGS</b>	<b>1,117</b>	<b>987</b>	<b>957</b>	<b>964</b>	<b>994</b>	<b>1,137</b>	<b>1,112</b>	<b>1,200</b>	<b>1,144</b>	<b>1,204</b>	<b>1,035</b>	<b>1,021</b>	<b>12,872</b>	<b>13,162</b>	<b>(291)</b>	<b>(2.2%)</b>
<b>Gross Margin</b>	<b>673</b>	<b>652</b>	<b>603</b>	<b>591</b>	<b>686</b>	<b>645</b>	<b>607</b>	<b>761</b>	<b>657</b>	<b>756</b>	<b>515</b>	<b>617</b>	<b>7,763</b>	<b>7,269</b>	<b>494</b>	<b>6.8%</b>
<i>Gross Margin %</i>	<i>37.6%</i>	<i>39.8%</i>	<i>38.6%</i>	<i>38.0%</i>	<i>40.8%</i>	<i>36.2%</i>	<i>35.3%</i>	<i>38.8%</i>	<i>36.5%</i>	<i>38.6%</i>	<i>33.2%</i>	<i>37.7%</i>	<i>37.6%</i>	<i>35.6%</i>		
Sales & Marketing	79	82	78	77	72	53	53	54	53	94	52	53	800	682	118	17.4%
Administrative	136	124	122	127	119	154	154	153	154	154	152	154	1,702	1,801	(99)	(5.5%)
<b>Total Opex</b>	<b>215</b>	<b>206</b>	<b>200</b>	<b>203</b>	<b>191</b>	<b>207</b>	<b>207</b>	<b>207</b>	<b>207</b>	<b>248</b>	<b>204</b>	<b>207</b>	<b>2,502</b>	<b>2,482</b>	<b>20</b>	<b>0.8%</b>
<b>EBITDA</b>	<b>458</b>	<b>446</b>	<b>403</b>	<b>388</b>	<b>495</b>	<b>437</b>	<b>400</b>	<b>554</b>	<b>450</b>	<b>507</b>	<b>310</b>	<b>411</b>	<b>5,261</b>	<b>4,786</b>	<b>475</b>	<b>9.9%</b>
<i>EBITDA %</i>	<i>25.6%</i>	<i>27.2%</i>	<i>25.8%</i>	<i>25.0%</i>	<i>29.5%</i>	<i>24.6%</i>	<i>23.3%</i>	<i>28.3%</i>	<i>25.0%</i>	<i>25.9%</i>	<i>20.0%</i>	<i>25.1%</i>	<i>25.5%</i>	<i>23.4%</i>		
<b>Adj. EBITDA</b>	<b>458</b>	<b>449</b>	<b>403</b>	<b>388</b>	<b>495</b>	<b>437</b>	<b>400</b>	<b>554</b>	<b>450</b>	<b>507</b>	<b>310</b>	<b>411</b>	<b>5,264</b>	<b>4,786</b>	<b>477</b>	<b>10.0%</b>
<i>Adj. EBITDA %</i>	<i>25.6%</i>	<i>27.4%</i>	<i>25.8%</i>	<i>25.0%</i>	<i>29.5%</i>	<i>24.6%</i>	<i>23.3%</i>	<i>28.3%</i>	<i>25.0%</i>	<i>25.9%</i>	<i>20.0%</i>	<i>25.1%</i>	<i>25.5%</i>	<i>23.4%</i>		
<b>Net Income (Loss)</b>	<b>\$ 446</b>	<b>\$ 433</b>	<b>\$ 391</b>	<b>\$ 376</b>	<b>\$ 483</b>	<b>\$ 282</b>	<b>\$ 249</b>	<b>\$ 369</b>	<b>\$ 288</b>	<b>\$ 329</b>	<b>\$ 175</b>	<b>\$ 254</b>	<b>\$ 4,075</b>	<b>\$ 2,951</b>	<b>\$ 1,123</b>	<b>38.1%</b>

Fcst = YTD Actuals plus Budget

# Appendix | Consolidated Full Year Outlook | Balance Sheet

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Current Assets</b>																
Cash and cash equivalents	\$ 1,777	\$ 2,718	\$ 13,532	\$ 12,282	\$ 13,970	\$ 998	\$ 769	\$ 771	\$ 1,925	\$ 1,565	\$ 934	\$ 1,037	\$ 1,037	\$ 2,585	\$ (1,548)	(59.9%)
Accounts receivable, gross	12,292	13,268	12,007	12,139	12,430	6,808	6,837	7,071	7,217	7,261	6,930	7,164	7,164	10,675	(3,511)	(32.9%)
Accounts receivable, reserves	(237)	(240)	(243)	(257)	(260)	(136)	(137)	(141)	(144)	(145)	(139)	(143)	(143)	(234)	90	(38.7%)
Accounts receivable, net	12,055	13,028	11,764	11,882	12,170	12,554	12,979	13,359	13,301	13,437	13,344	13,274	13,274	10,441	2,833	27.1%
Inventory, gross	22,422	21,868	21,300	20,189	20,141	21,823	22,116	22,222	22,026	22,261	22,196	22,089	22,089	21,759	330	1.5%
Inventory, reserves	(2,720)	(2,283)	(2,270)	(2,267)	(2,289)	(2,651)	(2,672)	(2,682)	(2,691)	(2,709)	(2,718)	(2,590)	(2,590)	(2,029)	(560)	27.6%
Inventory, net	19,702	19,585	19,031	17,922	17,852	19,172	19,444	19,540	19,335	19,552	19,478	19,499	19,499	19,730	(230)	(1.2%)
Prepaid expenses and other current assets	187	155	49	7	28	204	204	204	204	204	204	204	204	213	(8)	(4.0%)
Other current assets	50,032	49,067	49,067	49,129	49,129	49,912	49,912	49,912	49,912	49,912	49,912	49,912	49,912	49,912	—	0.0%
<b>Total Current Assets</b>	<b>83,753</b>	<b>84,553</b>	<b>93,442</b>	<b>91,222</b>	<b>93,148</b>	<b>82,841</b>	<b>83,308</b>	<b>83,788</b>	<b>84,678</b>	<b>84,671</b>	<b>83,873</b>	<b>83,927</b>	<b>83,927</b>	<b>82,881</b>	<b>1,046</b>	<b>1.3%</b>
<b>Non-Current Assets</b>																
Property, plant & equipment, gross	14,380	14,451	14,464	14,481	14,628	15,595	15,772	16,274	16,326	16,353	16,725	16,752	16,752	14,326	2,425	16.9%
Accumulated depreciation	(1,920)	(2,059)	(2,313)	(2,487)	(2,559)	(2,749)	(2,892)	(3,040)	(3,191)	(3,344)	(3,501)	(3,658)	(3,658)	(1,779)	(1,879)	105.7%
Property, plant & equipment, net	12,460	12,392	12,151	11,994	12,069	12,845	12,880	13,234	13,135	13,009	13,224	13,094	13,094	12,548	546	4.4%
Goodwill	66,839	66,607	66,375	66,142	65,910	65,283	64,989	64,694	64,400	64,105	63,810	63,516	63,516	66,756	(3,240)	(4.9%)
Identifiable intangible assets, gross	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	—	0.0%
Accumulated amortization	(789)	(1,233)	(1,678)	(2,123)	(2,123)	(2,682)	(3,014)	(3,346)	(3,678)	(4,010)	(4,342)	(4,674)	(4,674)	(690)	(3,984)	577.2%
Identifiable intangible assets, net	14,311	13,867	13,422	12,977	12,977	12,418	12,086	11,754	11,422	11,090	10,758	10,426	10,426	14,410	(3,984)	(27.6%)
Deferred financing cost	2,759	2,759	2,759	2,759	2,368	2,597	2,570	2,543	2,516	2,489	2,462	2,435	2,435	2,759	(324)	(11.7%)
Deferred tax asset	644	644	644	644	644	672	672	672	672	672	672	672	672	644	27	4.3%
Other non-current assets	2	2	2	2	—	131	131	131	131	131	131	131	131	131	—	0.0%
<b>Total Non-Current Assets</b>	<b>97,016</b>	<b>96,271</b>	<b>95,353</b>	<b>94,519</b>	<b>93,968</b>	<b>93,946</b>	<b>93,328</b>	<b>93,028</b>	<b>92,275</b>	<b>91,496</b>	<b>91,057</b>	<b>90,273</b>	<b>90,273</b>	<b>97,248</b>	<b>(6,974)</b>	<b>(7.2%)</b>
<b>Total Assets</b>	<b>\$ 180,769</b>	<b>\$ 180,824</b>	<b>\$ 188,796</b>	<b>\$ 185,741</b>	<b>\$ 187,117</b>	<b>\$ 176,787</b>	<b>\$ 176,635</b>	<b>\$ 176,816</b>	<b>\$ 176,953</b>	<b>\$ 176,166</b>	<b>\$ 174,930</b>	<b>\$ 174,201</b>	<b>\$ 174,201</b>	<b>\$ 180,129</b>	<b>\$ (5,928)</b>	<b>(3.3%)</b>
<b>Current Liabilities</b>																
Current portion of long-term debt	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,336	\$ 1,336	\$ 1,336	\$ 1,336	\$ 1,336	\$ 1,850	\$ (514)	(27.8%)
Notes payable	1,250	1,250	10,000	10,000	10,000	—	—	—	—	—	—	—	—	—	—	N/A
Accounts payable	3,375	4,151	3,570	2,875	3,507	5,465	5,256	5,239	5,788	5,925	5,760	5,646	5,646	3,690	1,956	53.0%
Accrued liabilities	3,472	3,197	3,814	2,762	2,783	3,253	3,337	3,417	3,495	3,573	3,657	3,727	3,727	3,361	366	10.9%
Accrued compensation	(498)	(362)	(425)	(382)	(189)	774	814	884	953	1,022	1,091	1,019	1,019	81	938	1163.4%
Income taxes payable	998	998	997	1,040	1,070	762	762	762	762	762	762	762	762	998	(236)	(23.7%)
Short-term unearned revenue	33	30	34	36	36	45	56	56	56	56	56	56	56	45	11	25.2%
Other current liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
<b>Total Current Liabilities</b>	<b>10,479</b>	<b>11,114</b>	<b>19,841</b>	<b>18,182</b>	<b>19,056</b>	<b>12,149</b>	<b>12,075</b>	<b>12,207</b>	<b>12,390</b>	<b>12,674</b>	<b>12,662</b>	<b>12,545</b>	<b>12,545</b>	<b>10,025</b>	<b>2,520</b>	<b>25.1%</b>
<b>Long-term liabilities</b>																
Long-term debt less current maturities	90,658	90,658	90,658	90,195	90,195	90,212	90,212	89,712	89,892	88,892	87,392	87,058	87,058	90,658	(3,600)	(4.0%)
Capital lease	67	64	60	57	53	—	—	—	—	—	—	—	—	71	(71)	(100.0%)
Deferred income taxes	(1,081)	(1,081)	(1,081)	(1,081)	(1,084)	(831)	(831)	(831)	(831)	(831)	(831)	(831)	(831)	(1,081)	250	(23.2%)
Other non-current liabilities	36,867	35,867	35,859	35,855	35,847	31,660	30,920	30,809	29,386	28,400	27,902	27,012	27,012	36,470	(9,458)	(25.9%)
<b>Total Long-Term Liabilities</b>	<b>126,510</b>	<b>125,507</b>	<b>125,495</b>	<b>125,025</b>	<b>125,011</b>	<b>121,041</b>	<b>120,301</b>	<b>119,690</b>	<b>118,448</b>	<b>116,461</b>	<b>114,463</b>	<b>113,239</b>	<b>113,239</b>	<b>126,117</b>	<b>(12,878)</b>	<b>(10.2%)</b>
<b>Total Liabilities</b>	<b>136,990</b>	<b>136,621</b>	<b>145,336</b>	<b>143,207</b>	<b>144,067</b>	<b>133,190</b>	<b>132,376</b>	<b>131,897</b>	<b>130,837</b>	<b>129,136</b>	<b>127,125</b>	<b>125,785</b>	<b>125,785</b>	<b>136,143</b>	<b>(10,358)</b>	<b>(7.6%)</b>
<b>Shareholders' Equity</b>																
Common stock	29,631	29,631	29,631	29,631	29,631	40,228	40,228	40,228	40,228	40,228	40,228	40,228	40,228	29,631	10,597	35.8%
Retained earnings	2,293	2,718	1,966	1,043	2,822	1,999	2,661	3,320	4,517	5,432	6,206	6,817	6,817	2,388	4,430	185.5%
Accumulated other comprehensive income	1,258	1,256	1,265	1,262	—	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370	—	0.0%
Other equity transactions	10,598	10,598	10,598	10,598	10,597	1	1	1	1	1	1	1	1	10,598	(10,597)	(100.0%)
<b>Total Shareholders' Equity</b>	<b>43,779</b>	<b>44,203</b>	<b>43,459</b>	<b>42,534</b>	<b>43,050</b>	<b>43,597</b>	<b>44,259</b>	<b>44,919</b>	<b>46,115</b>	<b>47,031</b>	<b>47,805</b>	<b>48,416</b>	<b>48,416</b>	<b>43,986</b>	<b>4,430</b>	<b>10.1%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 180,769</b>	<b>\$ 180,824</b>	<b>\$ 188,796</b>	<b>\$ 185,741</b>	<b>\$ 187,117</b>	<b>\$ 176,787</b>	<b>\$ 176,635</b>	<b>\$ 176,816</b>	<b>\$ 176,953</b>	<b>\$ 176,166</b>	<b>\$ 174,930</b>	<b>\$ 174,201</b>	<b>\$ 174,201</b>	<b>\$ 180,129</b>	<b>\$ (5,928)</b>	<b>(3.3%)</b>

Fcst = YTD Actuals plus Budget

# Appendix | S&G Full Year Outlook | Balance Sheet

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Current Assets</b>																
Cash and cash equivalents	\$ 880	\$ 1,922	\$ 11,054	\$ 8,305	\$ 8,269	\$ 198	\$ (31)	\$ (29)	\$ 1,125	\$ 765	\$ 134	\$ 237	\$ 237	\$ 237	\$ -	0.0%
Accounts receivable, gross	5,944	6,754	5,856	5,647	6,014	6,808	6,837	7,071	7,217	7,261	6,930	7,164	7,164	7,164	-	0.0%
Accounts receivable, reserves	(220)	(220)	(221)	(231)	(232)	(136)	(137)	(141)	(144)	(145)	(139)	(143)	(143)	(143)	-	0.0%
Accounts receivable, net	5,724	6,534	5,635	5,416	5,783	6,672	6,701	6,929	7,073	7,116	6,791	7,021	7,021	7,021	-	0.0%
Inventory, gross	7,479	7,223	7,256	7,193	7,202	7,585	7,676	7,592	7,509	7,550	7,466	7,244	7,244	7,244	-	0.0%
Inventory, reserves	(625)	(697)	(669)	(651)	(658)	(496)	(502)	(497)	(491)	(494)	(488)	(345)	(345)	(345)	-	0.0%
Inventory, net	6,855	6,526	6,586	6,542	6,543	7,089	7,174	7,096	7,018	7,056	6,977	6,899	6,899	6,899	-	0.0%
Prepaid expenses and other current assets	(52)	(98)	(188)	(241)	(200)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	-	0.0%
Other current assets	50,032	49,067	49,067	49,129	49,129	49,912	49,912	49,912	49,912	49,912	49,912	49,912	49,912	49,912	-	0.0%
<b>Total Current Assets</b>	<b>63,439</b>	<b>63,950</b>	<b>72,154</b>	<b>69,151</b>	<b>69,524</b>	<b>63,847</b>	<b>63,732</b>	<b>63,885</b>	<b>65,104</b>	<b>64,824</b>	<b>63,791</b>	<b>64,046</b>	<b>64,046</b>	<b>64,046</b>	<b>-</b>	<b>0.0%</b>
<b>Non-Current Assets</b>																
Property, plant & equipment, gross	11,714	11,731	11,731	11,731	11,731	12,713	12,865	12,867	12,894	12,896	12,898	12,900	12,900	12,900	-	0.0%
Accumulated depreciation	(1,011)	(1,102)	(1,309)	(1,435)	(1,460)	(1,638)	(1,729)	(1,820)	(1,914)	(2,009)	(2,104)	(2,199)	(2,199)	(2,199)	-	0.0%
Property, plant & equipment, net	10,703	10,629	10,423	10,296	10,271	11,075	11,136	11,047	10,980	10,887	10,794	10,701	10,701	10,701	-	0.0%
Goodwill	42,133	42,133	42,133	42,133	42,133	42,050	42,050	42,050	42,050	42,050	42,050	42,050	42,050	42,050	-	0.0%
Identifiable intangible assets, gross	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	15,100	-	0.0%
Accumulated amortization	(789)	(1,233)	(1,678)	(2,123)	(2,123)	(2,682)	(3,014)	(3,346)	(3,678)	(4,010)	(4,342)	(4,674)	(4,674)	(4,674)	-	0.0%
Identifiable intangible assets, net	14,311	13,867	13,422	12,977	12,977	12,418	12,086	11,754	11,422	11,090	10,758	10,426	10,426	10,426	-	0.0%
Deferred financing cost	2,759	2,759	2,759	2,759	2,368	2,597	2,570	2,543	2,516	2,489	2,462	2,435	2,435	2,435	-	0.0%
Other non-current assets	2	2	2	2	-	131	131	131	131	131	131	131	131	131	-	0.0%
<b>Total Non-Current Assets</b>	<b>69,908</b>	<b>69,390</b>	<b>68,739</b>	<b>68,167</b>	<b>67,749</b>	<b>68,271</b>	<b>67,973</b>	<b>67,525</b>	<b>67,099</b>	<b>66,647</b>	<b>66,195</b>	<b>65,743</b>	<b>65,743</b>	<b>65,743</b>	<b>-</b>	<b>0.0%</b>
<b>Total Assets</b>	<b>\$ 133,347</b>	<b>\$ 133,340</b>	<b>\$ 140,893</b>	<b>\$ 137,318</b>	<b>\$ 137,273</b>	<b>\$ 132,117</b>	<b>\$ 131,704</b>	<b>\$ 131,409</b>	<b>\$ 132,202</b>	<b>\$ 131,471</b>	<b>\$ 129,986</b>	<b>\$ 129,788</b>	<b>\$ 129,788</b>	<b>\$ 129,788</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Current Liabilities</b>																
Current portion of long-term debt	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,850	\$ 1,336	\$ 1,336	\$ 1,336	\$ 1,336	\$ 1,336	\$ 1,336	\$ -	0.0%
Accounts payable	2,515	2,746	2,610	2,220	2,553	4,040	3,559	3,693	4,291	4,233	4,186	4,139	4,139	4,139	-	0.0%
Accrued liabilities	1,558	2,189	2,653	1,684	1,633	1,975	1,975	1,975	1,975	1,975	1,975	1,975	1,975	1,975	-	0.0%
Accrued compensation	249	286	309	257	318	125	125	125	125	125	125	125	125	125	-	0.0%
Income taxes payable	128	128	128	170	200	128	128	128	128	128	128	128	128	128	-	0.0%
Short-term unearned revenue	33	30	34	36	36	45	56	56	56	56	56	56	56	56	-	0.0%
<b>Total Current Liabilities</b>	<b>7,583</b>	<b>8,479</b>	<b>17,584</b>	<b>16,218</b>	<b>16,591</b>	<b>8,164</b>	<b>7,695</b>	<b>7,829</b>	<b>7,912</b>	<b>7,855</b>	<b>7,807</b>	<b>7,760</b>	<b>7,760</b>	<b>7,760</b>	<b>-</b>	<b>0.0%</b>
<b>Long-term liabilities</b>																
Long-term debt less current maturities	90,658	90,658	90,658	90,195	90,195	90,212	90,212	89,712	89,892	88,892	87,392	87,058	87,058	87,058	-	0.0%
Deferred income taxes	(831)	(831)	(831)	(831)	(833)	(831)	(831)	(831)	(831)	(831)	(831)	(831)	(831)	(831)	-	0.0%
Other non-current liabilities	-	-	-	-	-	87	87	87	87	87	87	87	87	87	-	0.0%
<b>Total Long-Term Liabilities</b>	<b>89,827</b>	<b>89,827</b>	<b>89,827</b>	<b>89,364</b>	<b>89,362</b>	<b>89,468</b>	<b>89,468</b>	<b>88,968</b>	<b>89,148</b>	<b>88,148</b>	<b>86,648</b>	<b>86,314</b>	<b>86,314</b>	<b>86,314</b>	<b>-</b>	<b>0.0%</b>
<b>Total Liabilities</b>	<b>97,410</b>	<b>98,306</b>	<b>107,411</b>	<b>105,582</b>	<b>105,953</b>	<b>97,632</b>	<b>97,162</b>	<b>96,796</b>	<b>97,060</b>	<b>96,002</b>	<b>94,455</b>	<b>94,074</b>	<b>94,074</b>	<b>94,074</b>	<b>-</b>	<b>0.0%</b>
<b>Shareholders' Equity</b>																
Common stock	40,228	40,228	40,228	40,228	40,228	40,228	40,228	40,228	40,228	40,228	40,228	40,228	40,228	40,228	-	0.0%
Retained earnings	(5,550)	(6,450)	(8,012)	(9,755)	(8,907)	(7,113)	(7,057)	(6,986)	(6,456)	(6,130)	(6,068)	(5,885)	(5,885)	(5,885)	-	0.0%
Accumulated other comprehensive income	1,258	1,256	1,265	1,262	-	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370	-	0.0%
Other equity transactions	1	1	1	1	-	1	1	1	1	1	1	1	1	1	-	0.0%
<b>Total Shareholders' Equity</b>	<b>35,937</b>	<b>35,035</b>	<b>33,482</b>	<b>31,736</b>	<b>31,320</b>	<b>34,485</b>	<b>34,542</b>	<b>34,613</b>	<b>35,142</b>	<b>35,469</b>	<b>35,531</b>	<b>35,714</b>	<b>35,714</b>	<b>35,714</b>	<b>-</b>	<b>0.0%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 133,347</b>	<b>\$ 133,340</b>	<b>\$ 140,893</b>	<b>\$ 137,318</b>	<b>\$ 137,273</b>	<b>\$ 132,117</b>	<b>\$ 131,704</b>	<b>\$ 131,409</b>	<b>\$ 132,202</b>	<b>\$ 131,471</b>	<b>\$ 129,986</b>	<b>\$ 129,788</b>	<b>\$ 129,788</b>	<b>\$ 129,788</b>	<b>\$ -</b>	<b>0.0%</b>

Fcst = YTD Actuals plus Budget

# Appendix | Delaney Full Year Outlook | Balance Sheet

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
\$'000	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Current Assets</b>																
Cash and cash equivalents	\$ 415	\$ 810	\$ 1,848	\$ 3,210	\$ 4,489	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 669	\$ (169)	(25.3%)
Accounts receivable, gross	4,379	4,551	4,805	4,969	4,713	—	—	—	—	—	—	—	—	3,988	(3,988)	(100.0%)
Accounts receivable, reserves	(17)	(20)	(23)	(26)	(29)	—	—	—	—	—	—	—	—	(14)	14	(100.0%)
Accounts receivable, net	4,363	4,531	4,782	4,944	4,685	4,045	4,313	4,527	4,259	4,276	4,508	4,345	4,345	3,974	371	9.3%
Inventory, gross	11,712	11,286	10,612	9,946	9,768	10,905	11,060	11,223	11,078	11,223	11,220	11,303	11,303	11,202	101	0.9%
Inventory, reserves	(1,918)	(1,408)	(1,423)	(1,438)	(1,453)	(1,978)	(1,993)	(2,008)	(2,023)	(2,038)	(2,053)	(2,068)	(2,068)	(1,378)	(689)	50.0%
Inventory, net	9,795	9,877	9,189	8,507	8,315	8,927	9,067	9,216	9,055	9,185	9,167	9,235	9,235	9,823	(589)	(6.0%)
Prepaid expenses and other current assets	115	163	140	110	103	184	184	184	184	184	184	184	184	193	(8)	(4.4%)
<b>Total Current Assets</b>	<b>14,687</b>	<b>15,381</b>	<b>15,958</b>	<b>16,772</b>	<b>17,591</b>	<b>13,656</b>	<b>14,064</b>	<b>14,426</b>	<b>13,999</b>	<b>14,145</b>	<b>14,359</b>	<b>14,264</b>	<b>14,264</b>	<b>14,660</b>	<b>(396)</b>	<b>(2.7%)</b>
<b>Non-Current Assets</b>																
Property, plant & equipment, gross	1,656	1,666	1,679	1,689	1,696	1,759	1,784	1,809	1,834	1,859	1,884	1,909	1,909	1,634	275	16.8%
Accumulated depreciation	(708)	(744)	(779)	(814)	(849)	(858)	(896)	(934)	(972)	(1,011)	(1,050)	(1,089)	(1,089)	(673)	(416)	61.9%
Property, plant & equipment, net	948	922	900	875	848	901	888	875	862	848	834	820	820	961	(141)	(14.7%)
Goodwill	18,846	18,614	18,382	18,150	17,918	17,685	17,453	17,221	16,989	16,757	16,524	16,292	16,292	18,846	(2,554)	(13.6%)
Deferred tax asset	644	644	644	644	644	672	672	672	672	672	672	672	672	644	27	4.3%
<b>Total Non-Current Assets</b>	<b>20,439</b>	<b>20,181</b>	<b>19,926</b>	<b>19,669</b>	<b>19,410</b>	<b>19,258</b>	<b>19,013</b>	<b>18,768</b>	<b>18,522</b>	<b>18,276</b>	<b>18,030</b>	<b>17,783</b>	<b>17,783</b>	<b>20,452</b>	<b>(2,668)</b>	<b>(13.0%)</b>
<b>Total Assets</b>	<b>\$ 35,126</b>	<b>\$ 35,561</b>	<b>\$ 35,884</b>	<b>\$ 36,440</b>	<b>\$ 37,001</b>	<b>\$ 32,914</b>	<b>\$ 33,077</b>	<b>\$ 33,194</b>	<b>\$ 32,521</b>	<b>\$ 32,421</b>	<b>\$ 32,389</b>	<b>\$ 32,047</b>	<b>\$ 32,047</b>	<b>\$ 35,111</b>	<b>\$ (3,064)</b>	<b>(8.7%)</b>
<b>Current Liabilities</b>																
Accounts payable	760	725	436	478	349	642	877	735	673	842	721	694	694	558	136	24.4%
Accrued liabilities	1,199	853	997	938	993	995	1,072	1,147	1,218	1,291	1,370	1,438	1,438	1,117	320	28.7%
Accrued compensation	(872)	(820)	(863)	(798)	(708)	489	497	534	571	608	645	630	630	(410)	1,040	(253.7%)
Income taxes payable	(8)	(8)	(8)	(8)	(8)	7	7	7	7	7	7	7	7	(8)	14	(186.1%)
<b>Total Current Liabilities</b>	<b>1,080</b>	<b>750</b>	<b>562</b>	<b>609</b>	<b>627</b>	<b>2,131</b>	<b>2,453</b>	<b>2,423</b>	<b>2,468</b>	<b>2,748</b>	<b>2,743</b>	<b>2,768</b>	<b>2,768</b>	<b>1,257</b>	<b>1,511</b>	<b>120.2%</b>
<b>Long-term liabilities</b>																
Other non-current liabilities	10,000	9,872	9,965	10,029	10,123	6,027	5,545	5,352	4,335	3,654	3,245	2,625	2,625	9,761	(7,136)	(73.1%)
<b>Total Long-Term Liabilities</b>	<b>10,000</b>	<b>9,872</b>	<b>9,965</b>	<b>10,029</b>	<b>10,123</b>	<b>6,027</b>	<b>5,545</b>	<b>5,352</b>	<b>4,335</b>	<b>3,654</b>	<b>3,245</b>	<b>2,625</b>	<b>2,625</b>	<b>9,761</b>	<b>(7,136)</b>	<b>(73.1%)</b>
<b>Total Liabilities</b>	<b>11,080</b>	<b>10,622</b>	<b>10,527</b>	<b>10,638</b>	<b>10,750</b>	<b>8,158</b>	<b>7,998</b>	<b>7,775</b>	<b>6,803</b>	<b>6,402</b>	<b>5,987</b>	<b>5,393</b>	<b>5,393</b>	<b>11,018</b>	<b>(5,625)</b>	<b>(51.1%)</b>
<b>Shareholders' Equity</b>																
Common stock	21,900	21,900	21,900	21,900	21,900	21,900	21,900	21,900	21,900	21,900	21,900	21,900	21,900	21,900	—	0.0%
Retained earnings	2,146	3,039	3,457	3,902	4,351	2,857	3,180	3,519	3,818	4,119	4,502	4,754	4,754	2,193	2,561	116.8%
<b>Total Shareholders' Equity</b>	<b>24,046</b>	<b>24,939</b>	<b>25,357</b>	<b>25,802</b>	<b>26,251</b>	<b>24,757</b>	<b>25,080</b>	<b>25,419</b>	<b>25,718</b>	<b>26,019</b>	<b>26,402</b>	<b>26,654</b>	<b>26,654</b>	<b>24,093</b>	<b>2,561</b>	<b>10.6%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 35,126</b>	<b>\$ 35,561</b>	<b>\$ 35,884</b>	<b>\$ 36,440</b>	<b>\$ 37,001</b>	<b>\$ 32,914</b>	<b>\$ 33,077</b>	<b>\$ 33,194</b>	<b>\$ 32,521</b>	<b>\$ 32,421</b>	<b>\$ 32,389</b>	<b>\$ 32,047</b>	<b>\$ 32,047</b>	<b>\$ 35,111</b>	<b>\$ (3,064)</b>	<b>(8.7%)</b>

Fcst = YTD Actuals plus Budget

# Appendix | Premier Full Year Outlook | Balance Sheet

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
\$'000	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Current Assets</b>																
Cash and cash equivalents	\$ 482	\$ (14)	\$ 630	\$ 767	\$ 1,212	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 309	\$ (9)	(3.1%)
Accounts receivable, net	1,969	1,963	1,346	1,523	1,702	1,837	1,965	1,904	1,968	2,045	2,045	1,908	1,908	1,731	176	10.2%
Inventory, gross	3,230	3,359	3,433	3,050	3,171	3,334	3,380	3,406	3,440	3,489	3,511	3,543	3,543	3,060	483	15.8%
Inventory, reserves	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	—	0.0%
Inventory, net	3,053	3,182	3,256	2,873	2,994	3,157	3,203	3,229	3,262	3,311	3,333	3,366	3,366	2,883	483	16.7%
Prepaid expenses and other current assets	124	90	98	137	125	44	44	44	44	44	44	44	44	44	0	0.0%
<b>Total Current Assets</b>	<b>5,628</b>	<b>5,222</b>	<b>5,330</b>	<b>5,300</b>	<b>6,033</b>	<b>5,338</b>	<b>5,512</b>	<b>5,477</b>	<b>5,575</b>	<b>5,701</b>	<b>5,722</b>	<b>5,618</b>	<b>5,618</b>	<b>4,968</b>	<b>650</b>	<b>13.1%</b>
<b>Non-Current Assets</b>																
Property, plant & equipment, gross	1,010	1,054	1,054	1,061	1,201	1,123	1,123	1,598	1,598	1,598	1,943	1,943	1,943	1,010	933	92.4%
Accumulated depreciation	(201)	(213)	(226)	(238)	(251)	(253)	(267)	(286)	(304)	(323)	(346)	(369)	(369)	(189)	(181)	95.8%
Property, plant & equipment, net	809	841	829	823	950	870	856	1,312	1,293	1,274	1,596	1,573	1,573	821	752	91.6%
Goodwill	5,860	5,860	5,860	5,860	5,860	5,548	5,486	5,423	5,361	5,299	5,236	5,174	5,174	5,860	(686)	(11.7%)
<b>Total Non-Current Assets</b>	<b>6,669</b>	<b>6,701</b>	<b>6,688</b>	<b>6,683</b>	<b>6,810</b>	<b>6,418</b>	<b>6,342</b>	<b>6,736</b>	<b>6,654</b>	<b>6,573</b>	<b>6,833</b>	<b>6,747</b>	<b>6,747</b>	<b>6,681</b>	<b>67</b>	<b>1.0%</b>
<b>Total Assets</b>	<b>\$ 12,296</b>	<b>\$ 11,923</b>	<b>\$ 12,018</b>	<b>\$ 11,983</b>	<b>\$ 12,843</b>	<b>\$ 11,756</b>	<b>\$ 11,854</b>	<b>\$ 12,213</b>	<b>\$ 12,229</b>	<b>\$ 12,274</b>	<b>\$ 12,555</b>	<b>\$ 12,365</b>	<b>\$ 12,365</b>	<b>\$ 11,649</b>	<b>\$ 716</b>	<b>6.1%</b>
<b>Current Liabilities</b>																
Accounts payable	100	681	524	177	604	783	819	810	824	850	853	813	813	345	468	135.8%
Accrued liabilities	715	155	164	140	156	283	289	294	301	306	311	314	314	268	45	17.0%
Accrued compensation	125	173	129	160	201	161	193	225	257	289	321	263	263	366	(102)	(28.0%)
Income taxes payable	877	877	877	877	877	627	627	627	627	627	627	627	627	877	(250)	(28.6%)
<b>Total Current Liabilities</b>	<b>1,817</b>	<b>1,885</b>	<b>1,695</b>	<b>1,354</b>	<b>1,839</b>	<b>1,853</b>	<b>1,927</b>	<b>1,956</b>	<b>2,009</b>	<b>2,072</b>	<b>2,112</b>	<b>2,017</b>	<b>2,017</b>	<b>1,856</b>	<b>161</b>	<b>8.7%</b>
<b>Long-term liabilities</b>																
Capital lease	67	64	60	57	53	—	—	—	—	—	—	—	—	71	(71)	(100.0%)
Deferred income taxes	(250)	(250)	(250)	(250)	(250)	—	—	—	—	—	—	—	—	(250)	250	(100.0%)
Other non-current liabilities	(5,630)	(6,502)	(6,603)	(6,671)	(6,774)	(6,950)	(7,208)	(7,127)	(7,532)	(7,838)	(7,926)	(8,196)	(8,196)	(5,874)	(2,322)	39.5%
<b>Total Long-Term Liabilities</b>	<b>(5,814)</b>	<b>(6,689)</b>	<b>(6,794)</b>	<b>(6,865)</b>	<b>(6,971)</b>	<b>(6,950)</b>	<b>(7,208)</b>	<b>(7,127)</b>	<b>(7,532)</b>	<b>(7,838)</b>	<b>(7,926)</b>	<b>(8,196)</b>	<b>(8,196)</b>	<b>(6,054)</b>	<b>(2,142)</b>	<b>35.4%</b>
<b>Total Liabilities</b>	<b>(3,997)</b>	<b>(4,804)</b>	<b>(5,099)</b>	<b>(5,511)</b>	<b>(5,133)</b>	<b>(5,097)</b>	<b>(5,281)</b>	<b>(5,171)</b>	<b>(5,523)</b>	<b>(5,766)</b>	<b>(5,814)</b>	<b>(6,179)</b>	<b>(6,179)</b>	<b>(4,198)</b>	<b>(1,981)</b>	<b>47.2%</b>
<b>Shareholders' Equity</b>																
Common stock	—	—	—	—	—	10,597	10,597	10,597	10,597	10,597	10,597	10,597	10,597	—	10,597	N/A
Retained earnings	5,696	6,130	6,521	6,896	7,379	6,255	6,538	6,787	7,155	7,443	7,772	7,948	7,948	5,250	2,697	51.4%
Other equity transactions	10,597	10,597	10,597	10,597	10,597	—	—	—	—	—	—	—	—	10,597	(10,597)	(100.0%)
<b>Total Shareholders' Equity</b>	<b>16,293</b>	<b>16,727</b>	<b>17,118</b>	<b>17,493</b>	<b>17,976</b>	<b>16,852</b>	<b>17,135</b>	<b>17,383</b>	<b>17,752</b>	<b>18,040</b>	<b>18,369</b>	<b>18,544</b>	<b>18,544</b>	<b>15,847</b>	<b>2,697</b>	<b>17.0%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 12,296</b>	<b>\$ 11,923</b>	<b>\$ 12,018</b>	<b>\$ 11,983</b>	<b>\$ 12,843</b>	<b>\$ 11,756</b>	<b>\$ 11,854</b>	<b>\$ 12,213</b>	<b>\$ 12,229</b>	<b>\$ 12,274</b>	<b>\$ 12,555</b>	<b>\$ 12,365</b>	<b>\$ 12,365</b>	<b>\$ 11,649</b>	<b>\$ 716</b>	<b>6.1%</b>

Fcst = YTD Actuals plus Budget

# Appendix | Consolidated Full Year Outlook | Cash Flow

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Cash flow from operations</b>																
Net Income (Loss)	\$ 308	\$ (98)	\$ (645)	\$(1,031)	\$ (84)	\$ 523	\$ 645	\$ 738	\$ 1,119	\$ 1,038	\$ 490	\$ 828	\$ 3,831	\$ 5,599	\$ (1,767)	(31.6%)
Depreciation, amortization and other	157	816	931	851	304	1,377	769	775	778	779	784	784	9,103	9,461	(357)	(3.8%)
<i>Change in operating assets and liabilities:</i>																
Accounts receivable	(1,614)	(973)	1,264	(118)	(288)	(385)	(424)	(381)	59	(136)	93	70	(2,833)	(2,598)	(235)	9.0%
Inventory	27	118	554	1,108	71	(1,320)	(272)	(97)	205	(217)	74	(21)	230	11	219	1953.4%
Prepaid expenses and other current assets	26	33	106	42	(21)	(176)	—	—	—	—	—	—	8	8	(0)	(0.0%)
Accounts payable	(316)	776	(581)	(695)	632	1,959	(209)	(17)	549	137	(165)	(114)	1,956	2,033	(77)	(3.8%)
Accrued expenses	110	(275)	617	(1,052)	20	470	84	80	79	78	84	70	366	450	(84)	(18.7%)
Accrued income taxes	(0)	0	(0)	42	30	(308)	—	—	—	—	—	—	(236)	(236)	—	0.0%
Other changes in operating assets and liabilities	(188)	95	(70)	(484)	185	(3,912)	(689)	(542)	(1,687)	(1,917)	(1,929)	(1,296)	(12,436)	(9,511)	(2,925)	30.8%
Other cash flow from operations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
<b>Total Cash Flow from Operations</b>	<b>\$ (1,490)</b>	<b>\$ 491</b>	<b>\$ 2,176</b>	<b>\$(1,336)</b>	<b>\$ 849</b>	<b>\$ (1,774)</b>	<b>\$ (95)</b>	<b>\$ 556</b>	<b>\$ 1,101</b>	<b>\$ (238)</b>	<b>\$ (570)</b>	<b>\$ 320</b>	<b>\$ (10)</b>	<b>\$ 5,217</b>	<b>\$ (5,227)</b>	<b>(100.2%)</b>
<b>Cash flow from investing</b>																
Additions to property, plant and equipment	\$ (54)	\$ (71)	\$ (13)	\$ (17)	\$ (147)	\$ (967)	\$ (177)	\$ (502)	\$ (52)	\$ (27)	\$ (372)	\$ (27)	\$ (2,425)	\$ (2,450)	\$ 25	(1.0%)
Investment in intangibles	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
<b>Total Cash Flow from Investing</b>	<b>\$ (54)</b>	<b>\$ (71)</b>	<b>\$ (13)</b>	<b>\$ (17)</b>	<b>\$ (147)</b>	<b>\$ (967)</b>	<b>\$ (177)</b>	<b>\$ (502)</b>	<b>\$ (52)</b>	<b>\$ (27)</b>	<b>\$ (372)</b>	<b>\$ (27)</b>	<b>\$ (2,425)</b>	<b>\$ (2,450)</b>	<b>\$ 25</b>	<b>(1.0%)</b>
<b>Cash flow from financing</b>																
Proceeds from the issuance (repayment) of short-term debt	\$ 1,250	\$ —	\$ 8,750	\$ —	\$ —	\$(10,000)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
Common stock issued (repurchased)	—	—	—	0	—	10,597	—	—	—	—	—	—	10,597	10,597	—	0.0%
Other cash flow from financing costs	(515)	522	(99)	106	990	(10,801)	44	(51)	105	(96)	311	(190)	(9,675)	(10,797)	1,123	(10.4%)
<b>Total Cash Flow from Financing</b>	<b>\$ 735</b>	<b>\$ 522</b>	<b>\$ 8,651</b>	<b>\$ 106</b>	<b>\$ 990</b>	<b>\$(10,205)</b>	<b>\$ 44</b>	<b>\$ (51)</b>	<b>\$ 105</b>	<b>\$ (96)</b>	<b>\$ 311</b>	<b>\$ (190)</b>	<b>\$ 922</b>	<b>\$ (4,314)</b>	<b>\$ 5,237</b>	<b>(121.4%)</b>
<b>Effect of FX rates on cash and cash equivalents</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>
<b>Net change in cash</b>	<b>\$ (808)</b>	<b>\$ 942</b>	<b>\$ 10,814</b>	<b>\$(1,247)</b>	<b>\$ 1,692</b>	<b>\$(12,945)</b>	<b>\$ (229)</b>	<b>\$ 3</b>	<b>\$ 1,154</b>	<b>\$ (360)</b>	<b>\$ (631)</b>	<b>\$ 103</b>	<b>\$ (1,513)</b>	<b>\$ (1,548)</b>	<b>\$ 35</b>	<b>(2.2%)</b>
Beginning cash	2,585	1,777	2,718	13,532	12,282	13,974	1,029	800	803	1,957	1,596	966	2,585	2,585	—	—
Change in cash	(808)	942	10,814	(1,247)	1,692	(12,945)	(229)	3	1,154	(360)	(631)	103	(1,513)	(1,548)	35	(2.2%)
<b>Ending cash</b>	<b>\$ 1,777</b>	<b>\$ 2,718</b>	<b>\$ 13,532</b>	<b>#####</b>	<b>\$13,974</b>	<b>\$ 1,029</b>	<b>\$ 800</b>	<b>\$ 803</b>	<b>\$ 1,957</b>	<b>\$ 1,596</b>	<b>\$ 966</b>	<b>\$ 1,069</b>	<b>\$ 1,069</b>	<b>\$ 1,037</b>	<b>\$ 31</b>	<b>3.0%</b>

Fcst = YTD Actuals plus Budget



# Appendix | S&G Full Year Outlook | Cash Flow

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Cash flow from operations</b>																
Net Income (Loss)	\$ (616)	\$ (900)	\$ (1,454)	\$ (1,851)	\$ (1,015)	\$ (82)	\$ 57	\$ 71	\$ 529	\$ 326	\$ 62	\$ 183	\$ (4,690)	\$ (829)	\$ (3,861)	465.6%
Depreciation, amortization and other	109	535	651	571	25	821	423	423	426	427	427	427	5,266	5,266	—	0.0%
<i>Change in operating assets and liabilities:</i>																
Accounts receivable	(988)	(810)	899	219	(367)	(889)	(29)	(229)	(144)	(43)	324	(230)	(2,285)	(2,285)	—	0.0%
Inventory	168	329	(61)	44	(1)	(545)	(85)	78	78	(38)	78	78	124	124	—	0.0%
Prepaid expenses and other current assets	28	46	90	52	(40)	(176)	—	—	—	—	—	—	—	—	—	N/A
Accounts payable	(273)	231	(136)	(390)	333	1,487	(481)	134	598	(58)	(47)	(47)	1,351	1,351	—	0.0%
Accrued expenses	(418)	631	463	(968)	(51)	342	—	—	—	—	—	—	—	—	—	N/A
Accrued income taxes	(0)	0	(0)	42	30	(72)	—	—	—	—	—	—	—	—	—	N/A
Other changes in operating assets and liabilities	35	999	28	(576)	62	(994)	11	(500)	(334)	(1,000)	(1,500)	(334)	(4,103)	11	(4,114)	(36223.6%)
<b>Total Cash Flow from Operations</b>	<b>\$ (1,955)</b>	<b>\$ 1,062</b>	<b>\$ 481</b>	<b>\$ (2,856)</b>	<b>\$ (1,026)</b>	<b>\$ (108)</b>	<b>\$ (104)</b>	<b>\$ (22)</b>	<b>\$ 1,154</b>	<b>\$ (385)</b>	<b>\$ (656)</b>	<b>\$ 78</b>	<b>\$ (4,336)</b>	<b>\$ 3,638</b>	<b>\$ (7,975)</b>	<b>(219.2%)</b>
<b>Cash flow from investing</b>																
Additions to property, plant and equipment	\$ (31)	\$ (17)	\$ (0)	\$ 0	\$ (0)	\$ (982)	\$ (152)	\$ (2)	\$ (27)	\$ (2)	\$ (2)	\$ (2)	\$ (1,217)	\$ (1,217)	\$ —	0.0%
<b>Total Cash Flow from Investing</b>	<b>\$ (31)</b>	<b>\$ (17)</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ (982)</b>	<b>\$ (152)</b>	<b>\$ (2)</b>	<b>\$ (27)</b>	<b>\$ (2)</b>	<b>\$ (2)</b>	<b>\$ (2)</b>	<b>\$ (1,217)</b>	<b>\$ (1,217)</b>	<b>\$ —</b>	<b>0.0%</b>
<b>Cash flow from financing</b>																
Proceeds from the issuance (repayment) of short-term debt	\$ 1,250	\$ —	\$ 8,750	\$ —	\$ —	\$ (10,000)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
Other cash flow from financing costs	10	(2)	(99)	106	990	3,018	27	27	27	27	27	27	4,185	324	3,861	1191.6%
<b>Total Cash Flow from Financing</b>	<b>\$ 1,260</b>	<b>\$ (2)</b>	<b>\$ 8,651</b>	<b>\$ 106</b>	<b>\$ 990</b>	<b>\$ (6,982)</b>	<b>\$ 27</b>	<b>\$ 27</b>	<b>\$ 27</b>	<b>\$ 27</b>	<b>\$ 27</b>	<b>\$ 27</b>	<b>\$ 4,185</b>	<b>\$ (3,790)</b>	<b>\$ 7,975</b>	<b>(210.4%)</b>
<b>Effect of FX rates on cash and cash equivalents</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>
<b>Net change in cash</b>	<b>\$ (726)</b>	<b>\$ 1,042</b>	<b>\$ 9,132</b>	<b>\$ (2,750)</b>	<b>\$ (35)</b>	<b>\$ (8,071)</b>	<b>\$ (229)</b>	<b>\$ 3</b>	<b>\$ 1,154</b>	<b>\$ (360)</b>	<b>\$ (631)</b>	<b>\$ 103</b>	<b>\$ (1,369)</b>	<b>\$ (1,369)</b>	<b>\$ 0</b>	<b>(0.0%)</b>
Beginning cash	1,606	880	1,922	11,054	8,305	8,269	198	(31)	(29)	1,125	765	134	1,606	1,606	—	—
Change in cash	(726)	1,042	9,132	(2,750)	(35)	(8,071)	(229)	3	1,154	(360)	(631)	103	(1,369)	(1,369)	0	(0.0%)
<b>Ending cash</b>	<b>\$ 880</b>	<b>\$ 1,922</b>	<b>\$ 11,054</b>	<b>\$ 8,305</b>	<b>\$ 8,269</b>	<b>\$ 198</b>	<b>\$ (31)</b>	<b>\$ (29)</b>	<b>\$ 1,125</b>	<b>\$ 765</b>	<b>\$ 134</b>	<b>\$ 237</b>	<b>\$ 237</b>	<b>\$ 237</b>	<b>\$ (0)</b>	<b>(0.0%)</b>

Fcst = YTD Actuals plus Budget

# Appendix | S&G 13-Week Cash Flow Projection

In US\$	Forecast 6/15	Forecast 6/22	Forecast 6/29	Forecast 7/6	Forecast 7/13	Forecast 7/20	Forecast 7/27	Forecast 8/3	Forecast 8/10	Forecast 8/17	Forecast 8/24	Forecast 8/31	Forecast 9/7	Forecast 9/14
<b>Cash Inflows - Operational</b>														
Collections from customers (Actual)														
Collections from customers based on projected aging (Forecast)	521	612	378	769	632	492	621	208	121	139	215	112	73	60
Collections from new forecasted sales	-	-	-	-	-	280	350	300	445	640	840	650	690	805
<b>Total AR Collections</b>	521	612	378	769	632	772	971	508	566	779	1,055	762	763	865
Other non-AR inflows														
<b>Total Cash Inflows - Operational</b>	521	612	378	769	632	772	971	508	566	779	1,055	762	763	865
<b>Cash Outflows - Operational</b>														
Product inventory (SAP AP)	(188)	(308)	(349)	(209)	(312)	(279)	(246)	(279)	(201)	(255)	(234)	(229)	(263)	(286)
Payroll	(80)	(210)	(203)	(220)	(90)	(220)	(70)	(230)	(213)	(250)	(70)	(250)	(213)	(250)
Commissions									(60)					
Bonus														
Facilities & other (Freight)	(103)	(20)	(20)	(20)	(20)	(113)	(20)	(20)	(20)	(65)	(20)	(20)	(20)	(20)
Professional services	(92)	(70)	(87)	(75)	(105)	(75)	(87)	(75)	(75)	(105)	(87)	(87)	(87)	(117)
Marketing														
Recruiter fees		(30)												
Other expenses (Insurance, TSA, CC)	(32)	(375)	-	-	(18)	(70)	-	-	-	-	(70)	-	-	-
<b>Total Cash Outflows - Operational</b>	(494)	(1,013)	(659)	(524)	(545)	(756)	(423)	(604)	(569)	(675)	(481)	(586)	(583)	(673)
<b>Cashflows - Financial and Other</b>														
Revolving Loan Draw (Paydown)	-													
Term Loan paydowns			(463)											
Interest and financial amortization			(1,785)											
Other financial income/expense (e.g. fx, hedging)														
Non-financial income/expense														
Estimated Tax Payments														
Monitoring fees (including travel expenses)			(500)											
Non-recurring items														
<b>Total Cash Outflows - Financial and Other</b>	-	-	(2,748)	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CASH FLOW</b>	27	(402)	(3,029)	245	87	16	548	(96)	(4)	104	573	176	180	192
<b>Cash Rollforward</b>														
Beginning cash balance	3,354	3,381	2,979	(50)	195	282	297	845	749	745	849	1,422	1,599	1,778
Cash activity	27	(402)	(3,029)	245	87	16	548	(96)	(4)	104	573	176	180	192
<b>ENDING CASH BALANCE</b>	3,381	2,979	(50)	195	282	297	845	749	745	849	1,422	1,599	1,778	1,970
<b>Debt Summary</b>														
Rolled debt	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Credit facility	92,508	92,508	92,045	92,045	92,045	92,045	92,045	92,045	92,045	92,045	92,045	92,045	92,045	92,045
<b>TOTAL DEBT</b>	97,508	97,508	97,045	97,045	97,045	97,045	97,045	97,045	97,045	97,045	97,045	97,045	97,045	97,045
<b>TOTAL NET DEBT</b>	94,127	94,529	97,095	96,850	96,763	96,748	96,200	96,296	96,300	96,196	95,623	95,446	95,267	95,075
<b>AVAILABILITY</b>	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000

# Appendix | Delaney Full Year Outlook | Cash Flow

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Cash flow from operations</b>																
Net Income (Loss)	\$ 477	\$ 368	\$ 418	\$ 445	\$ 449	\$ 323	\$ 340	\$ 298	\$ 302	\$ 383	\$ 252	\$ 391	\$ 4,447	\$ 3,477	\$ 970	27.9%
Depreciation, amortization and other	36	268	268	267	267	241	270	270	271	271	271	272	2,971	3,243	(272)	(8.4%)
<i>Change in operating assets and liabilities:</i>																
Accounts receivable	(389)	(168)	(251)	(161)	259	639	(268)	(213)	267	(17)	(232)	163	(371)	(311)	(60)	19.4%
Inventory	29	(83)	689	681	193	(612)	(140)	(149)	160	(130)	18	(68)	589	422	166	39.4%
Prepaid expenses and other current assets	77	(48)	23	30	7	(81)	—	—	—	—	—	—	8	8	—	0.0%
Accounts payable	202	(35)	(289)	42	(129)	292	236	(142)	(63)	169	(121)	(27)	136	281	(145)	(51.6%)
Accrued expenses	82	(346)	145	(60)	56	1	78	75	71	73	79	67	320	397	(77)	(19.4%)
Accrued income taxes	—	—	—	—	—	14	—	—	—	—	—	—	14	14	—	0.0%
Other changes in operating assets and liabilities	(222)	(76)	50	129	185	(2,900)	(474)	(156)	(980)	(643)	(373)	(635)	(6,096)	(6,878)	782	(11.4%)
<b>Total Cash Flow from Operations</b>	<b>\$ 292</b>	<b>\$ (120)</b>	<b>\$ 1,051</b>	<b>\$ 1,372</b>	<b>\$ 1,286</b>	<b>\$ (2,082)</b>	<b>\$ 42</b>	<b>\$ (16)</b>	<b>\$ 28</b>	<b>\$ 106</b>	<b>\$ (105)</b>	<b>\$ 163</b>	<b>\$ 2,018</b>	<b>\$ 655</b>	<b>\$ 1,363</b>	<b>208.2%</b>
<b>Cash flow from investing</b>																
Additions to property, plant and equipment	\$ (23)	\$ (10)	\$ (13)	\$ (10)	\$ (8)	\$ (62)	\$ (25)	\$ (25)	\$ (25)	\$ (25)	\$ (25)	\$ (25)	\$ (275)	\$ (300)	\$ 25	(8.3%)
<b>Total Cash Flow from Investing</b>	<b>\$ (23)</b>	<b>\$ (10)</b>	<b>\$ (13)</b>	<b>\$ (10)</b>	<b>\$ (8)</b>	<b>\$ (62)</b>	<b>\$ (25)</b>	<b>\$ (25)</b>	<b>\$ (25)</b>	<b>\$ (25)</b>	<b>\$ (25)</b>	<b>\$ (25)</b>	<b>\$ (275)</b>	<b>\$ (300)</b>	<b>\$ 25</b>	<b>(8.3%)</b>
<b>Cash flow from financing</b>																
Common stock issued (repurchased)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
Other cash flow from financing costs	(524)	524	(0)	0	(0)	(1,817)	(17)	41	(3)	(81)	130	(139)	(1,885)	(524)	(1,361)	259.6%
<b>Total Cash Flow from Financing</b>	<b>\$ (524)</b>	<b>\$ 524</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ (1,817)</b>	<b>\$ (17)</b>	<b>\$ 41</b>	<b>\$ (3)</b>	<b>\$ (81)</b>	<b>\$ 130</b>	<b>\$ (139)</b>	<b>\$ (1,885)</b>	<b>\$ (524)</b>	<b>\$ (1,361)</b>	<b>259.6%</b>
<b>Net change in cash</b>	<b>\$ (255)</b>	<b>\$ 395</b>	<b>\$ 1,038</b>	<b>\$ 1,363</b>	<b>\$ 1,278</b>	<b>\$ (3,961)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ (142)</b>	<b>\$ (169)</b>	<b>\$ 27</b>	<b>(16.2%)</b>
Beginning cash	669	415	810	1,848	3,210	4,489	527	527	527	527	527	527	669	669	—	—
Change in cash	(255)	395	1,038	1,363	1,278	(3,961)	0	0	0	0	0	(0)	(142)	(169)	27	(16.2%)
<b>Ending cash</b>	<b>\$ 415</b>	<b>\$ 810</b>	<b>\$ 1,848</b>	<b>\$ 3,210</b>	<b>\$ 4,489</b>	<b>\$ 527</b>	<b>\$ 527</b>	<b>\$ 527</b>	<b>\$ 527</b>	<b>\$ 527</b>	<b>\$ 527</b>	<b>\$ 527</b>	<b>\$ 527</b>	<b>\$ 500</b>	<b>\$ 27</b>	<b>5.5%</b>

Fcst = YTD Actuals plus Budget

# Appendix| Delaney 13-Week Cash Flow Projection

In US\$	Forecast 6/15	Forecast 6/22	Forecast 6/29	Forecast 7/6	Forecast 7/13	Forecast 7/20	Forecast 7/27	Forecast 8/3	Forecast 8/10	Forecast 8/17	Forecast 8/24	Forecast 8/31	Forecast 9/7
<b>Cash Inflows - Operational</b>													
Collections from customers (Actual)													
Collections from customers based on projected aging (Forecast)	1,106	218	277	1,316	211	123	233	184	82	-	-	-	-
<b>Collections from new forecasted sales</b>	-	-	-	-	-	351	351	175	1,068	997	356	356	178
<b>Total AR Collections</b>	1,106	218	277	1,316	211	474	583	359	1,150	997	356	356	178
Other non-AR inflows													
<b>Total Cash Inflows - Operational</b>	1,106	218	277	1,316	211	474	583	359	1,150	997	356	356	178
<b>Cash Outflows - Operational</b>													
Product inventory (SAP AP)	(235)	(266)	(266)	(348)	(230)	(674)	(65)	(643)	(172)	(980)	(303)	(554)	(233)
Payroll	(162)	-	(122)	-	(162)	-	(122)	-	(162)	-	(122)	-	(162)
Commissions	-	-	-	-	(165)	-	-	-	(165)	-	-	-	(165)
Bonus													
Facilities & other (Freight)	(50)	(250)	(90)	(57)	(50)	(250)	(50)	(57)	(50)	(50)	(250)	(90)	(57)
Professional services	-	-	(11)	-	-	-	-	-	-	-	-	-	-
Marketing													
Recruiter fees													
Other expenses (Insurance, TSA, CC)	-	(55)	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Outflows - Operational</b>	(447)	(571)	(489)	(405)	(607)	(924)	(237)	(700)	(549)	(1,030)	(675)	(644)	(617)
<b>Cashflows - Financial and Other</b>													
Revolving Loan Draw (Paydown)													
Term Loan paydowns													
Interest and financial amortization													
Other financial income/expense (e.g. fx, hedging)													
Non-financial income/expense													
Estimated Tax Payments													
Monitoring fees (including travel expenses)													
Non-recurring items													
<b>Total Cash Outflows - Financial and Other</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CASH FLOW</b>	659	(353)	(211)	910	(396)	(450)	346	(340)	601	(33)	(319)	(288)	(439)
<b>Cash Rollforward</b>													
Beginning cash balance	4,931	5,590	5,237	5,026	5,936	5,540	5,090	5,436	5,096	5,697	5,665	5,346	5,058
Cash activity	659	(353)	(211)	910	(396)	(450)	346	(340)	601	(33)	(319)	(288)	(439)
<b>ENDING CASH BALANCE</b>	5,590	5,237	5,026	5,936	5,540	5,090	5,436	5,096	5,697	5,665	5,346	5,058	4,619

# Appendix | Premier Full Year Outlook | Cash Flow

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
<b>Cash flow from operations</b>																
Net Income (Loss)	\$ 446	\$ 433	\$ 391	\$ 376	\$ 483	\$ 282	\$ 249	\$ 369	\$ 288	\$ 329	\$ 175	\$ 254	\$ 4,075	\$ 2,951	\$ 1,123	38.1%
Depreciation, amortization and other	12	12	12	13	13	314	76	81	81	81	85	85	866	952	(85)	(9.0%)
<b>Change in operating assets and liabilities:</b>																
Accounts receivable	(237)	5	617	(176)	(180)	(135)	(128)	61	(65)	(77)	1	137	(176)	(2)	(174)	8848.3%
Inventory	(170)	(129)	(74)	383	(121)	(163)	(46)	(26)	(33)	(49)	(22)	(32)	(483)	(535)	53	(9.8%)
Prepaid expenses and other current assets	(80)	34	(8)	(40)	12	81	—	—	—	—	—	—	(0)	(0)	—	0.0%
Accounts payable	(245)	580	(156)	(347)	427	179	36	(9)	13	26	3	(40)	468	400	68	17.0%
Accrued expenses	446	(560)	9	(23)	16	126	6	5	7	5	5	2	45	52	(7)	(13.3%)
Accrued income taxes	—	—	—	—	—	(250)	—	—	—	—	—	—	(250)	(250)	—	0.0%
Other changes in operating assets and liabilities	(1)	(827)	(148)	(41)	(65)	(19)	(226)	113	(373)	(274)	(56)	(328)	(2,244)	(2,644)	400	(15.1%)
<b>Total Cash Flow from Operations</b>	<b>\$ 172</b>	<b>\$ (451)</b>	<b>\$ 644</b>	<b>\$ 144</b>	<b>\$ 584</b>	<b>\$ 416</b>	<b>\$ (33)</b>	<b>\$ 595</b>	<b>\$ (81)</b>	<b>\$ 41</b>	<b>\$ 191</b>	<b>\$ 78</b>	<b>\$ 2,301</b>	<b>\$ 924</b>	<b>\$ 1,377</b>	<b>149.1%</b>
<b>Cash flow from investing</b>																
Additions to property, plant and equipment	\$ —	\$ (44)	\$ —	\$ (7)	\$ (139)	\$ 78	\$ —	\$ (475)	\$ —	\$ —	\$ (345)	\$ —	\$ (933)	\$ (933)	\$ —	0.0%
<b>Total Cash Flow from Investing</b>	<b>\$ —</b>	<b>\$ (44)</b>	<b>\$ —</b>	<b>\$ (7)</b>	<b>\$ (139)</b>	<b>\$ 78</b>	<b>\$ —</b>	<b>\$ (475)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (345)</b>	<b>\$ —</b>	<b>\$ (933)</b>	<b>\$ (933)</b>	<b>\$ —</b>	<b>0.0%</b>
<b>Cash flow from financing</b>																
Common stock issued (repurchased)	—	—	—	—	—	10,597	—	—	—	—	—	—	10,597	10,597	—	0.0%
Other cash flow from financing costs	(0)	—	—	—	—	(12,003)	33	(120)	81	(41)	154	(78)	(11,974)	(10,597)	(1,377)	13.0%
<b>Total Cash Flow from Financing</b>	<b>\$ (0)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (1,406)</b>	<b>\$ 33</b>	<b>\$ (120)</b>	<b>\$ 81</b>	<b>\$ (41)</b>	<b>\$ 154</b>	<b>\$ (78)</b>	<b>\$ (1,377)</b>	<b>\$ (0)</b>	<b>\$ (1,377)</b>	<b>241609046.7%</b>
<b>Net change in cash</b>	<b>\$ 172</b>	<b>\$ (495)</b>	<b>\$ 644</b>	<b>\$ 137</b>	<b>\$ 445</b>	<b>\$ (912)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ (9)</b>	<b>\$ (9)</b>	<b>\$ (0)</b>	<b>0.0%</b>
Beginning cash	309	482	(14)	630	767	1,212	300	300	300	300	300	300	309	309	—	—
Change in cash	172	(495)	644	137	445	(912)	(0)	(0)	0	0	(0)	0	(9)	(9)	(0)	0.0%
<b>Ending cash</b>	<b>\$ 482</b>	<b>\$ (14)</b>	<b>\$ 630</b>	<b>\$ 767</b>	<b>\$ 1,212</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>\$ 0</b>	<b>0.0%</b>

Fcst = YTD Actuals plus Budget

# Appendix | Premier 13-Week Cash Flow Projection

In US\$	Forecast 6/15	Forecast 6/22	Forecast 6/29	Forecast 7/6	Forecast 7/13	Forecast 7/20	Forecast 7/27	Forecast 8/3	Forecast 8/10	Forecast 8/17	Forecast 8/24	Forecast 8/31	Forecast 9/7
<b>Cash Inflows - Operational</b>													
Collections from customers (Actual)													
Collections from customers based on projected aging (Forecast)	407	394	542	367	-	-	-	-	-	-	-	-	-
Collections from new forecasted sales	-	-	-	-	366	366	407	438	432	393	393	314	469
<b>Total AR Collections</b>	407	394	542	367	366	366	407	438	432	393	393	314	469
Other non-AR inflows													
<b>Total Cash Inflows - Operational</b>	407	394	542	367	366	366	407	438	432	393	393	314	469
<b>Cash Outflows - Operational</b>													
Product inventory (SAP AP)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)
Payroll	(85)	(30)	(85)	(30)	(90)	(30)	(90)	(30)	(90)	(30)	(90)	(30)	(30)
Commissions													
Bonus													
Facilities & other (Freight)	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing													
Recruiter fees													
Other expenses (Insurance, TSA, CC)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Outflows - Operational</b>	(305)	(250)	(305)	(250)	(310)	(250)	(310)	(250)	(310)	(250)	(310)	(250)	(250)
<b>Cashflows - Financial and Other</b>													
Revolving Loan Draw (Paydown)													
Term Loan paydowns													
Interest and financial amortization													
Other financial income/expense (e.g. fx, hedging)													
Non-financial income/expense													
Estimated Tax Payments													
Monitoring fees (including travel expenses)													
Non-recurring items													
<b>Total Cash Outflows - Financial and Other</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CASH FLOW</b>	102	144	237	117	56	116	97	188	122	143	83	64	219
<b>Cash Rollforward</b>													
Beginning cash balance	1,340	1,442	1,586	1,824	1,940	1,997	2,113	2,210	2,398	2,520	2,663	2,746	2,810
Cash activity	102	144	237	117	56	116	97	188	122	143	83	64	219
<b>ENDING CASH BALANCE</b>	1,442	1,586	1,824	1,940	1,997	2,113	2,210	2,398	2,520	2,663	2,746	2,810	3,029

## Appendix | S&G Incurred Standalone Costs

\$'000		May		Variance		YTD		Variance	
	Description	Act	Bud	\$	%	Act	Bud	\$	%
<b>IT</b>		<b>30</b>	<b>29</b>	<b>1</b>	<b>3.6%</b>	<b>162</b>	<b>147</b>	<b>15</b>	<b>10.5%</b>
Manager	Salary and Benefits	8	8	(0)	-5.2%	46	46	(0)	-1.0%
Direct Technology Charges	Office 365, AvePoint, WebRoot, Duo MFA, voice services, Creo, Windchill	4	5	(1)	-23.4%	19	26	(7)	-26.9%
ERP transition licensing fees	Licensing	11	11	-	0.0%	53	53	-	0.0%
Data Communications	Licensing	7	4	3	62.0%	44	22	23	106.0%
<b>Legal</b>		<b>-</b>	<b>12</b>	<b>(12)</b>	<b>-100.0%</b>	<b>115</b>	<b>63</b>	<b>52</b>	<b>83.0%</b>
External legal fees and other expenses	Legal Fees	-	10	(10)	-100.0%	115	53	62	117.7%
Patent fees	Patent Fees	-	2	(2)	-100.0%	-	10	(10)	-100.0%
<b>Finance</b>		<b>23</b>	<b>30</b>	<b>(7)</b>	<b>-24.2%</b>	<b>108</b>	<b>165</b>	<b>(56)</b>	<b>-34.2%</b>
CFO	Salary and Benefits	19	19	(0)	-1.0%	104	105	(0)	-0.2%
Base compensation (2 FTEs)	Salary and Benefits	4	11	(7)	-64.5%	4	60	(56)	-93.5%
<b>Sales</b>		<b>25</b>	<b>37</b>	<b>(12)</b>	<b>-32.7%</b>	<b>116</b>	<b>204</b>	<b>(88)</b>	<b>-43.1%</b>
VP of Sales	Salary and Benefits	25	20	5	23.4%	116	111	5	4.3%
Customer Relationship Manager	Salary and Benefits	-	17	(17)	-100.0%	-	92	(92)	-100.0%
<b>HR</b>		<b>2</b>	<b>2</b>	<b>-</b>	<b>0.0%</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>0.0%</b>
Business Travel and Accident	Business Travel and Accident	0	0	-	0.0%	1	1	-	0.0%
Global Emergency Travel Services	Global Emergency Travel Services	1	1	-	0.0%	7	7	-	0.0%
<b>Trade Compliance</b>		<b>1</b>	<b>1</b>	<b>-</b>	<b>0.0%</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>0.0%</b>
Export Compliance Daily/ICPA annual fee	Export Compliance Daily/ICPA annual fee	0	0	-	0.0%	1	1	-	0.0%
Trade Flow software license	Trade Flow software license	1	1	-	0.0%	6	6	-	0.0%
<b>Bonuses</b>	Incremental management bonuses	<b>19</b>	<b>63</b>	<b>(44)</b>	<b>-69.7%</b>	<b>157</b>	<b>314</b>	<b>(157)</b>	<b>-50.1%</b>
<b>Risk</b>	Incremental cost of business insurances	<b>17</b>	<b>12</b>	<b>5</b>	<b>37.5%</b>	<b>102</b>	<b>61</b>	<b>41</b>	<b>68.0%</b>
<b>Freight</b>	Adjust freight to actual charges versus allocation	<b>68</b>	<b>77</b>	<b>(9)</b>	<b>-12.0%</b>	<b>347</b>	<b>387</b>	<b>(40)</b>	<b>-10.3%</b>
<b>401(k) compensation</b>	Estimated incremental 401(k) expense	<b>7</b>	<b>19</b>	<b>(12)</b>	<b>-63.3%</b>	<b>64</b>	<b>101</b>	<b>(37)</b>	<b>-36.2%</b>
<b>Total Standalone Costs</b>		<b>191</b>	<b>282</b>	<b>(91)</b>	<b>-32.3%</b>	<b>1,185</b>	<b>1,454</b>	<b>(269)</b>	<b>-18.5%</b>

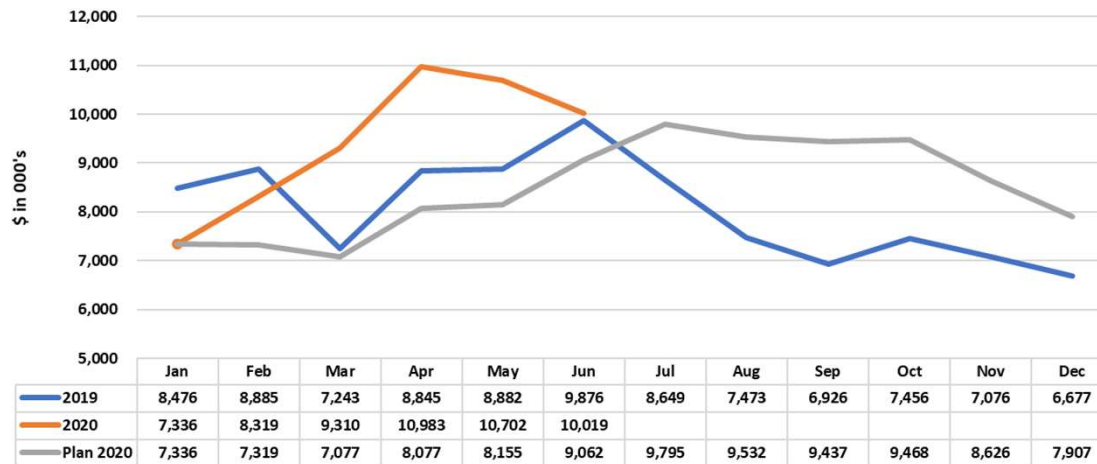
# Appendix | S&G PF Standalone Costs

Description	May						YTD					
	Budget			Actual			Budget			Actual		
	Incurred	Unincurred	PF	Incurred	Unincurred	PF	Incurred	Unincurred	PF	Incurred	Unincurred	PF
	<b>28</b>	<b>1</b>	<b>29</b>	<b>30</b>	<b>(1)</b>	<b>29</b>	<b>144</b>	<b>2</b>	<b>147</b>	<b>165</b>	<b>(19)</b>	<b>147</b>
Salary and Benefits	8	0	8	8	0	8	46	0	46	46	0	46
Office 365, AvePoint, WebRoot, Duo MFA, voice services, Creo, Windchill	5	0	5	4	1	5	28	(2)	26	15	10	26
Licensing	11	(0)	11	11	-	11	53	(0)	53	53	-	53
Licensing	4	0	4	7	(3)	4	18	4	22	51	(30)	20
	<b>6</b>	<b>6</b>	<b>12</b>	<b>-</b>	<b>12</b>	<b>12</b>	<b>24</b>	<b>39</b>	<b>63</b>	<b>134</b>	<b>(71)</b>	<b>63</b>
Legal Fees	6	4	10	-	10	10	24	29	53	130	(77)	53
Patent Fees	-	2	2	-	2	2	-	10	10	4	6	10
	<b>23</b>	<b>7</b>	<b>30</b>	<b>23</b>	<b>7</b>	<b>30</b>	<b>108</b>	<b>56</b>	<b>165</b>	<b>109</b>	<b>55</b>	<b>165</b>
Salary and Benefits	19	0	19	19	0	19	104	0	105	104	0	105
Salary and Benefits	4	7	11	4	7	11	4	56	60	5	55	61
	<b>20</b>	<b>17</b>	<b>37</b>	<b>25</b>	<b>12</b>	<b>37</b>	<b>111</b>	<b>93</b>	<b>204</b>	<b>120</b>	<b>84</b>	<b>204</b>
Salary and Benefits	20	0	20	25	(5)	20	111	0	111	116	(5)	111
Salary and Benefits	-	17	17	-	17	17	-	92	92	4	89	92
	<b>2</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>8</b>
Business Travel and Accident	0	-	0	0	-	0	1	-	1	1	-	1
Global Emergency Travel Services	1	-	1	1	-	1	7	-	7	7	-	7
	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>6</b>	<b>-</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>6</b>
Export Compliance Daily/ICPA annual fee	0	-	0	0	-	0	1	-	1	1	-	1
Trade Flow software license	1	-	1	1	-	1	6	-	6	6	-	6
Incremental management bonuses	19	44	63	19	44	63	157	157	314	184	130	314
Incremental cost of business insurances	17	(5)	12	17	(5)	12	90	(30)	60	74	(14)	60
Adjust freight to actual charges versus allocation	68	9	77	68	9	77	347	40	387	360	26	387
Estimated incremental 401(k) expense	7	12	19	7	12	19	64	37	101	78	23	101
	<b>190</b>	<b>92</b>	<b>282</b>	<b>191</b>	<b>91</b>	<b>282</b>	<b>1,061</b>	<b>394</b>	<b>1,455</b>	<b>1,238</b>	<b>215</b>	<b>1,455</b>

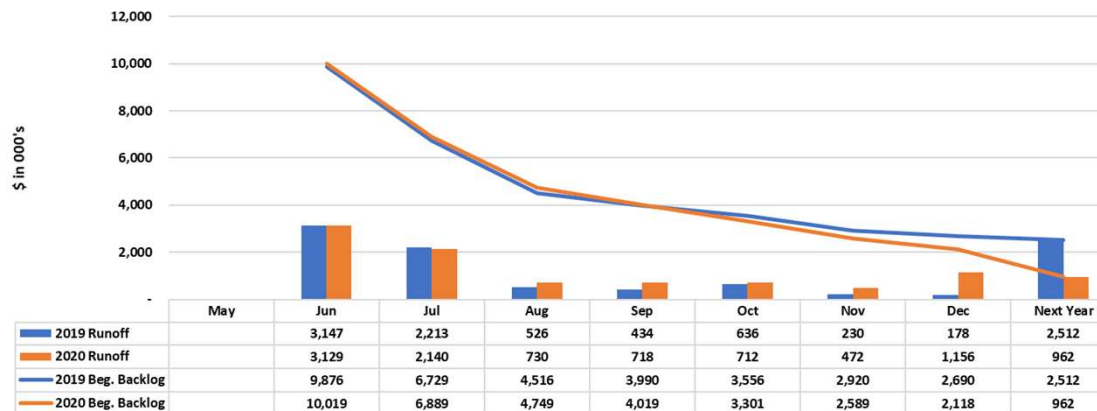


## Appendix | S&G Backlog Trends

Trended Backlog - Comparative June



Backlog Runoff-Comparative June



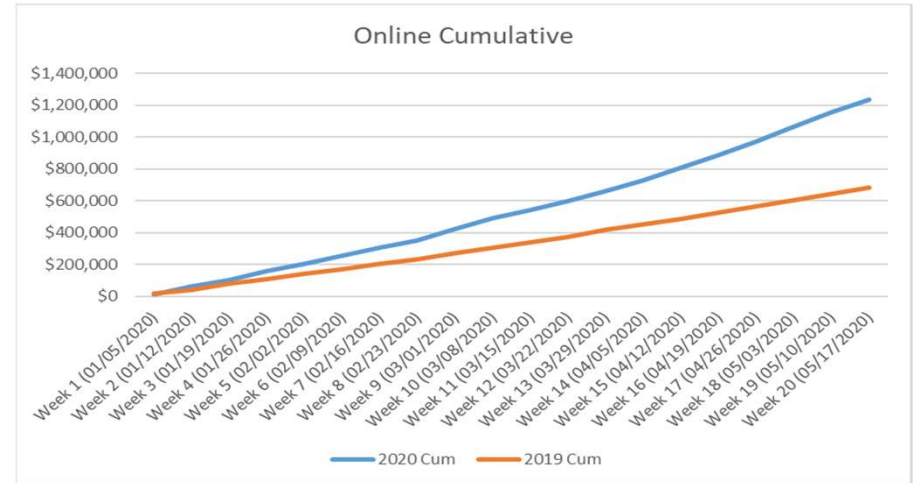
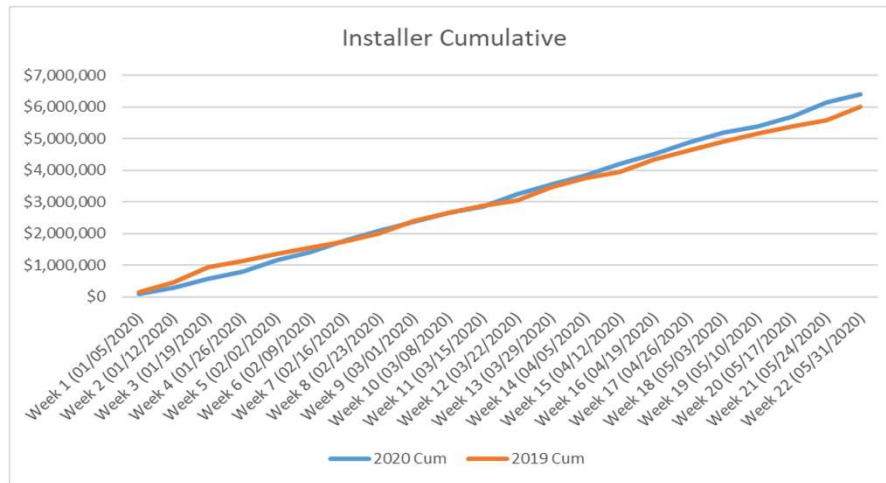
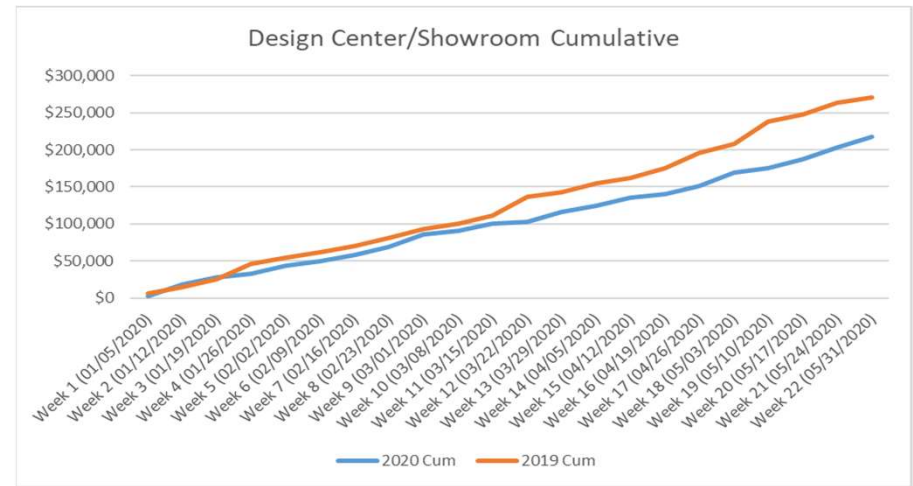
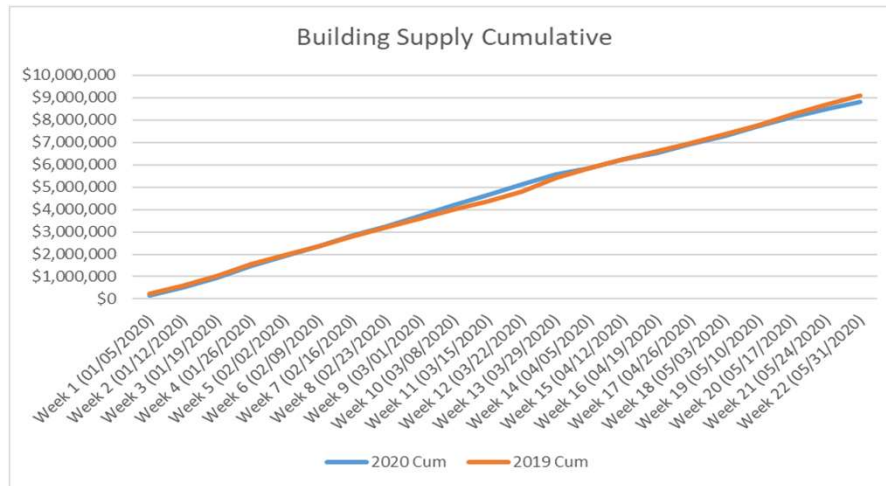
### Management Discussion

- May backlog of \$10.0M contains:
  - ARYA blanket order of \$1.9M
  - Timemaster blanket order of \$1.3M
  - Government 951 orders of \$0.9M
  - American Locks orders of \$0.5M
  - TK orders of \$0.4M
  - Shanghai Qiahne orders of \$0.4M
- 2019 Backlog of \$9.9M contained:
  - Timemaster blanket order of \$1.4M
  - ARYA of \$1.4M
  - Government 951 orders of \$1.1M
  - Lockmasters of \$0.6M
  - NCR orders of \$0.4M

# Appendix | Delaney Business Split Comparison

Summary item class:	(\$M)				Chg		Sales % Growth & Mgn %		
	Sales		GM		Sales	GM	Sales	2019 Mgn	2020 Mgn
	2019	2020	2019	2020	\$	\$	Growth	%	%
<b>Single Family</b>									
<b>Callan</b>	5,181	4,951	2,646	2,541	(230)	(104)	-4.4%	51.1%	51.3%
<b>Delaney</b>	1,755	1,661	840	848	(93)	9	-5.3%	47.9%	51.1%
Builders hardware	802	900	450	502	97	52	12.2%	56.1%	55.8%
Barn door hardware	776	951	477	561	176	84	22.6%	61.5%	59.0%
Bath accessories	604	727	335	410	122	75	20.3%	55.4%	56.4%
Commercial	353	313	153	139	(39)	(14)	-11.1%	43.4%	44.4%
Other	432	439	245	246	7	1	1.6%	56.6%	55.9%
<b>Single family (excl. interco, online, special, hollow, samples, displays, online)</b>	<b>2,967</b>	<b>3,330</b>	<b>1,660</b>	<b>1,858</b>	<b>363</b>	<b>198</b>	<b>12.2%</b>	<b>55.9%</b>	<b>55.8%</b>
Bravura	564	429	258	221	(135)	(38)	-23.9%	45.8%	51.1%
Special order items	24	14	10	3	(11)	(7)	-43.5%	39.3%	21.0%
Hollow metal	-	-	-	-	-	-	0.0%	0.0%	0.0%
Samples and Displays	4	-	(14)	(3)	(4)	11	-100.0%	-350.9%	0.0%
Online	776	1,417	446	839	640	393	82.5%	57.4%	59.2%
<b>Single Family (excl. intercompany)</b>	<b>11,272</b>	<b>11,803</b>	<b>5,845</b>	<b>6,307</b>	<b>531</b>	<b>462</b>	<b>4.7%</b>	<b>51.9%</b>	<b>53.4%</b>
<b>Multi-family</b>									
<b>Delaney</b>	<b>1,002</b>	<b>1,400</b>	<b>448</b>	<b>684</b>	<b>398</b>	<b>236</b>	<b>39.7%</b>	<b>44.7%</b>	<b>48.9%</b>
<b>Callan</b>	<b>362</b>	<b>270</b>	<b>170</b>	<b>127</b>	<b>(92)</b>	<b>(43)</b>	<b>-25.5%</b>	<b>47.1%</b>	<b>47.2%</b>
Commercial	425	658	193	278	232	86	54.6%	45.3%	42.3%
Bath accessories	334	338	153	156	4	4	1.1%	45.7%	46.3%
Barn door hardware	299	182	180	101	(117)	(79)	-39.1%	60.1%	55.4%
Builders hardware	183	213	86	107	30	21	16.4%	46.9%	50.2%
Other	91	150	68	98	59	31	65.1%	74.6%	65.5%
<b>Multi-family (excl. interco, online, special, hollow, samples, displays, online)</b>	<b>1,333</b>	<b>1,542</b>	<b>679</b>	<b>741</b>	<b>208</b>	<b>62</b>	<b>15.6%</b>	<b>50.9%</b>	<b>48.1%</b>
Special order items	649	615	192	162	(34)	(30)	-5.3%	29.6%	26.4%
Hollow metal	1,395	1,222	386	320	(173)	(66)	-12.4%	27.7%	26.2%
Bravura	123	8	50	4	(115)	(46)	-93.8%	40.3%	50.4%
Samples and Displays	-	-	-	-	-	-	0.0%	0.0%	0.0%
<b>Multi-family (excl. intercompany)</b>	<b>4,864</b>	<b>5,056</b>	<b>1,925</b>	<b>2,039</b>	<b>192</b>	<b>114</b>	<b>3.9%</b>	<b>39.6%</b>	<b>40.3%</b>
Intercompany	219	232	0	0	12	0	5.6%	0.0%	0.2%
<b>Total</b>	<b>16,355</b>	<b>17,090</b>	<b>7,770</b>	<b>8,347</b>	<b>735</b>	<b>576</b>	<b>4.5%</b>	<b>47.5%</b>	<b>48.8%</b>

# Appendix | Delaney Commercial Dashboard



Customer Name	2020 Gross Sales	2020 Prod Mgn %	2019 Gross Sales	2019 Prod Mgn %	Gross Sales \$ Chg	Gross Sales % Chg	Margin Chg
BUILDG SUP	\$8,822	52.3%	\$9,083	51.1%	(\$261)	-2.9%	121 bps
DESIGN	\$218	50.2%	\$271	44.9%	(\$53)	-19.5%	530 bps
INSTALLER	\$6,400	43.5%	\$6,002	42.7%	\$398	6.6%	83 bps
ONLINE	\$1,417	59.2%	\$776	57.4%	\$640	82.5%	175 bps
<b>Grand Total</b>	<b>\$16,856</b>	<b>49.5%</b>	<b>\$16,132</b>	<b>48.2%</b>	<b>\$724</b>	<b>4.5%</b>	<b>135 bps</b>