

INSTITUTIONAL RESEARCH

Emerging GrowthUPDATE REPORT

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Toll-Free: 561-391-5555 • www.DawsonJames.com • 101 North Federal Highway - Suite 600 • Boca Raton, FL 33432

Profire Energy, Inc. (NASDAQ: PFIE)

August 6, 2021

Buy: Q2 Results Better than Expected

We reiterate our Buy recommendation and \$1.65 price target on Profire Energy after the company posted better-than-expected Q2 results. We believe Profire has significant leverage to sustained prices in oil and natural gas, and if oil prices are sustained at current levels, we believe the company can achieve its former revenue and EBITDA levels and drive substantial stock price appreciation.

Q2 revenue was \$6.0 million, 18% higher than Q1, driven by a 14% Q/Q increase in oil prices (West Texas Intermediate), a 14% Q/Q increase in the Baker Hughes rig count for the U.S. and a 19% increase in well completions (per the <u>EIA Drilling Productivity Report</u>).

Gross margin for the quarter was 44%, an improvement from Q1, but lower than we expected. The company cites mix as the major issue driving margin, as pricing has been stable. Historically, there have been meaningful swings in gross margin from changing mix. We have forecast an improvement in gross margins for the rest of this year and next.

If oil and natural gas prices remain firm, we expect the rig count, drilled wells, and completed wells to continue to increase and the outlook for Profire to improve. The price of WTI crude oil has increased from the negative level seen in late April 2020 to almost \$70 per barrel currently. WTI exceeds the average price in 2018 of \$65.23 and the average price in 2019 of \$56.99. The Baker Hughes U.S. rig count, however, at 488, remains 50% below the average rig count in 2018 and 2019. Energy Information Administration (EIA) data indicates the number of wells drilled fell 57% in 2020 and the number of completed wells fell 45%. There is substantial room for improvement as both drilled and completed wells have increased from the Q3 2020 trough but remain 63% and 40%, respectively, below their peaks in 2018.

Oil prices have continued to improve with the improving economy, but the U.S. rig count has lagged the increase in oil prices by a large margin. The last time WTI was over \$70 per barrel (in 2018), the North American rig count exceeded 1,200, versus 641 currently. We are not counting on an improvement to prior levels in order to achieve our price target. We believe Profire is in a better position than many of its competitors, with a strong balance sheet and positive cash flow. However, it remains at the mercy of oil prices and its attempt to expand into the upstream burner management system (BMS) market.

Valuation: Our price target of \$1.65 is based on an EV/EBITDA multiple of 14x our 2022 EBITDA estimate of \$4.3 million. Our EV/EBITDA target multiple is a discount to the median multiple of 14.4x of a comp group. (See page 3.) We believe the discount is warranted to reflect the risks of reaching our EBITDA estimate.

James McIlree, CFA 561-237-2709 jmcilree@dawsonjames.com

Current Price						\$1.16
Price Target						\$1.65
Estimates		2020A	_	2021E	_	2022E
Revenues (\$000s)	\$	21,459		23,799 E		31,871
1Q March	\$	7,447	\$	5,092 A		7,449
2Q June	\$	4,359		6,034 A		7,822
3Q September	\$	4,000	\$	-,	\$	7,822
4Q December	\$	5,652	\$	-,	•	8,779
		2020A	_	2021E		2022E
EBITDA (\$000s)	\$	(1,460)	\$	69 E		4,319
1Q March	\$	(339)	\$	(386)A	\$	853
2Q June	\$	(587)	\$	3 A 4 E	\$	1,005 983
3Q September 4Q December	\$	(935) 400	\$	4 E 448 E		1.478
4Q December	\$	400	\$	448 E	\$	1,4/8
EV/Sales		1.7 x		1.5 x		1.2
EV/EBITDA		NM		536.8 x		8.5
Stock Data		14141		330.0 X		0.5
52-Week Range		\$0.63		-		\$1.7
Shares Outstanding (mil.)		•				48.
Market Capitalization (mil	l.)					\$5
Enterprise Value (mil.)						\$3
Debt to Capital						09
Book Value/Share						\$0.9
Price/Book						1.2
Average Three Months Tr	adir	ng Volum	ne	(K)		13
Insider Ownership				,		38.99
Institutional Ownership						37.79
Short interest (mil.)						0.29
Dividend / Yield					'n	00/0.09
Profire Energy, Inc.	/DE	IE IIE/				00,010,
7.000 Volume (Thousands)	(FF	IE-03)		Price	e (U	(SD) 1.6
,,,,,,						1.5
6,000 -		1 A				- 1.4
5,000 -		1. /1		١.		- 1.3
4,000 -		MM /	Μ.,	JVN	۸۸.	1.2
3,000 -	pr	VI IV	, ~	MAN	74	W- 1.1
2.000-						0.9
m. In m	4					-0.8
1,000 -		M				- 0.7
Aug Sep Oct Nov Dec	Jan	Feb Mar	Ar	or May Jun	H	0.6
Aug dep Oct 1909 Dec		y, Inc.	\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\rightarrow{1}{\righ	n may Jur		-ui

Risks: Risks to achieving our price target include changes in oil and gas prices, global economic growth and its impact on demand for oil and gas, regulation that could impact the ability to drill for oil and gas, and regulation that could impede the development of pipelines in the U.S.



Q2 Results

Q2 revenue was \$6.0 million, 18% higher than Q1, driven by a 14% Q/Q increase in oil prices (West Texas Intermediate), a 14% Q/Q increase in the Baker Hughes rig count for the U.S. and a 19% increase in well completions.

Gross margin for the quarter was 44%, an improvement from Q1, but lower than we expected. The company cites mix as the major issue driving margin, as pricing has been stable. Historically, there have been meaningful swings in gross margin from changing mix. We have forecast an improvement in gross margins for the rest of this year and next.

Actual v Estimates (\$000s except per-share data)

Actual v Estimates (\$00	00s	except p	er	-share da	ta)		
Q2 21	A	ctual		Est.		Delta	% Delta
Sales of Goods		5,375		5,000		375	7%
Sales of Services		660		457		203	45%
Total Revenues		6,034		5,457		578	11%
Cost of Goods		2,911		2,600		311	12%
Cost of Services		466		320		146	46%
Total COGS		3,377		2,920		457	16%
Gross Profit-Goods		2,464		2,400		64	3%
Gross Profit-Services		194		137		57	42%
Gross Profit-Total		2,658		2,537		121	5%
G&A		2,784		2,605		179	
R&D		301		272		30	
Depreciation		167		167		(1)	
Opex		3,252		3,044		208	7%
Operating income		(594)		(507)		(87)	-17%
Interest and Other		72		95		(23)	
Duntau in a ana		(500)		(440)		(440)	070/
Pretax income		(523)		(412)		(110)	-27%
Taxes		(125)		(107)		(18)	200/
Net Income		(397)		(305)		(92)	-30%
Basic Shares		48,054		48,016			
Diluted Shares		48,054		48,416			
Diluted Stiales		+0,034		40,410			
Basic EPS	\$	(0.01)	\$	(0.01)	\$	(0.00)	-30%
Diluted EPS	\$	(0.01)					-31%
	•	(0.0.)	Ť	(0.01)	Ť	(0.00)	0170
Operating Income		(594)		(507)		(87)	-17%
D&A		390		352		, ,	
Stock Comp		207		125			
EBITDA		3		(30)		32	109%
EBITDA Margin		0.0%		-0.5%			

Source: Profire Energy, Inc. and Dawson James Securities estimates

Outlook

In the smaller and mid-size oilfield applications, demand for BMSs is driven by the number of well completions, and to a lesser extent, by replacement demand and retrofit of existing wells. According to EIA data, in the U.S., the number of well completions in 2018 was almost 15,000, fell to under 14,000 in 2019 and to 7,371 in 2020. Q1 2021 well completions were about two-thirds of



the year-ago quarter's count but up about 57% from the trough of Q3. Q2 2021 well completions increased 19% versus Q1, and if completions in the second half equal the number of completions in the first half, full-year completions will increase 19% over 2020.

Change in Profire Estimates

	202	1E		2022E				
	Old		New		Old		New	
Revenue (\$M)	\$ 23.6	\$	23.8	\$	30.1	\$	31.9	
EPS	\$ (0.01)	\$	(0.03)	\$	0.04	\$	0.03	
EBITDA (\$M)	\$ 0.7	\$	0.1	\$	4.0	\$	4.3	

Source: Dawson James Securities estimates

We project revenue for Profire in 2021 of \$23.8 million, up from \$21.4 million in 2020. For 2022, we forecast revenue of \$31.9 million, based on stable oil and gas prices and continued improvement in drilling and completion activity

We believe Profire is in a better position than many of its competitors, with a strong balance sheet and positive cash flow. However, it remains at the mercy of oil prices, and its attempts to reduce its dependence on the upstream BMS market have met with limited success.

Profire Energy, Inc. Comparable Group

					iparable (•	E) //		T. 4	E\ //
		- 1	Price		TEV	- 1	-TM	EV/	H	TM	EV/
					(\$M)	Sale	es (\$M)	Sales	EB	ITDA	EBITDA
									(\$M)	
CLB	Core Laboratories NV	\$	30.46	\$	1,657.5	\$	518.4	3.20	\$	86.8	19.1
BOOM	DMC Global Inc.		41.78		612.5		306.3	2.00		42.6	14.4
ENSV	Enservco Corporation		1.22		30.5		27.4	1.11		2.0	15.2
HTG-GB	Hunting PLC	£	2.11	£	312.9	£	491.6	0.64	£	38.5	8.1
OIS	Oil States International, Inc.		5.43		484.6		646.2	0.75		56.7	8.5
PSD-CA	Pulse Seismic Inc.	C\$	2.01	C\$	119.5	C\$	27.3	4.38	C\$	22.7	5.3
SDPI	Superior Drilling Products, Inc.		0.77		24.9		11.6	2.15		0.5	45.4
	Median							2.00			14.4
PFIE	Profire Energy, Inc.	\$	1.16	\$	36.8	\$	28.6	1.29	\$	2.6	14.2

Source: FactSet and Dawson James Securities estimates.

Valuation:

Our price target of \$1.65 is based on an EV/EBITDA multiple of 14x our 2022 EBITDA estimate of \$4.3 million. Our EV/EBITDA target multiple is a discount to the median multiple of 14.4x of a comp group. We believe the discount is warranted to reflect the risks of reaching our EBITDA estimate.

Risk Analysis:

Risks to achieving our price target include changes in oil and gas prices, global economic growth and its impact on demand for oil and gas, regulation that could impact the ability to drill for oil and gas, and regulation that could impede the development of pipelines in the U.S.



Exhibit 1. Income Statement

\$ in 000's								/lar-21		Jun-21		Sep-21		Dec-21			8	
except per share data	_	Y 18	-	FY 19		FY 20	Q	1 21 A	C	2 21 A	Q	3 21 E	Q	4 21 E	F	-Y 21E	F	Y 22E
Sales of Goods		42,870		36,208		19,396		4,658		5,375		5,375		5,912		21,319		28,475
Sales of Services	200	2,744	5011	2,773	-	2,063	77.94	435	1007	660	-	660		726	1.2	2,480	2022	3,397
Total Revenues	\$	45,615	\$	38,981	\$	21,459	\$	5,092	\$	6,034	\$	6,034	\$	6,638	\$	23,799	\$	31,871
Cost of Goods		20,789		17,588		10,378		2,538		2,911		2,849		2,897		11,194		13,691
Cost of Services		1,924		1,865		1,554		380		466		462		508		1,816		2,326
Total COGS		22,713		19,453		11,932		2,918		3,377		3,310		3,405		13,009		16,017
A CONTRACTOR OF STREET														- 1-11				
Gross Profit-Goods		22,081		18,620		9,017		2,120		2,464		2,526		3,015		10,125		14,784
Gross Profit-Services	7	820		908		509		55		194		198		218		664		1,071
Gross Profit-Total		22,901		19,528		9,526		2,175		2,658		2,724		3,233		10,789		15,854
G&A	8	13,029		13,454		10,641		2,555		2,784		2,834		2,884		11,056		11,835
R&D		1,397		1,933		1,299		257		301		316		331		1,206		1,416
Depreciation		501		977		666		167		167		167		167		668		667
Opex		14,927		16,364		12,606		2,979		3,252		3,317		3,382		12,930		13,919
Operating income		7,974		3,164		(3,080)		(804)		(594)		(593)		(149)		(2,141)		1,936
o per atting meeting		1470				1-1/		(/		(/		()		()		(-,/		117.55
Interest and Other		624		403		421		95		72		72		72		311		288
15-560						- Company		Total Control										
Pretax income		8,598	3.5	67.561		(2,659)		(709)		(523)		(521)		(77)		(1,831)		2,223
Taxes		2,517	,,,,	1,546		(484)		(108)		(125)		(136)		(20)		(389)		578
Net Income	\$	6,081	\$	2,021	\$	(2,176)		(602)		(397)		(386)	S	(57)		(1,442)	\$	1,645
TVCC IIIOOIIIC	Ψ,	0,001		2,021	•	(2,110)	Ψ	(002)	Ψ	(001)	Ψ	(000)	•	(01)	Ψ	(1,112)	¥	1,010
Basic Shares		48,471		47,491		47,778		47,990		48,054		48,239		48,289		47,878		48,094
Diluted Shares		49,222		48,134		47,778		47,990		48,054		48,639		48,689		47,878		48,334
Blidted Glidles		40,222		40,104		41,110		47,000		40,004		40,000		40,000		41,010		40,004
Basic EPS	\$	0.13	\$	0.04	\$	(0.05)	\$	(0.01)	8	(0.01)	\$	(0.01)	8	(0.00)	\$	(0.03)	\$	0.03
Diluted EPS	\$	0.13	\$	0.04	\$	(0.05)		(0.01)		(0.01)		(0.01)		(0.00)		(0.03)		0.03
Diluted EFS	Ψ	0.12	۳	0.04	Ψ	(0.03)	Ψ	(0.01)	Ψ	(0.01)	Ψ	(0.01)	Ψ	(0.00)	Ψ	(0.03)	Ψ	0.03
Operating Income		7,974		3,164		(3,080)		(804)		(594)		(593)		(149)		(2,141)		1,936
Operating income										(334)		(333)		(170)		(2, 171)		1,000
The state of the s		1000								300		300		300		1 464		1 555
D&A		897		1,467		1,177		294		390		390		390		1,464		1,555
D&A Stock Comp	•	897 1,059	•	1,467 391	•	1,177 443		294 125		207	•	207	•	207	•	746	c	828
D&A	\$	897	\$	1,467	\$	1,177		294		207	\$		\$		\$		\$	
D&A Stock Comp EBITDA		897 1,059 9,930		1,467 391 5,022		1,177 443 (1,460)	\$	294 125 (386)	\$	207 3	\$	207	\$	207	\$	746	\$	828
D&A Stock Comp	\$	897 1,059	\$	1,467 391		1,177 443		294 125	\$	207	\$	207	\$	207	\$	746	\$	828
D&A Stock Comp EBITDA	\$	897 1,059 9,930 65.23	\$	1,467 391 5,022 56.98	\$	1,177 443 (1,460) 39.12	\$	294 125 (386) 58.09	\$	207 3 66.19		207 4		207 448		746 69		828 4,319
D&A Stock Comp EBITDA WTI \$/barrel	\$	897 1,059 9,930 65.23	\$ F	1,467 391 5,022 56.98	\$	1,177 443 (1,460) 39.12	\$	294 125 (386) 58.09	\$	207 3 66.19	Q	207 4 3 21 E		207 448		746 69 FY 21E		828 4,319 FY 22E
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods	\$	897 1,059 9,930 65.23 FY 18 94.0%	\$ F	1,467 391 5,022 56.98 FY 19 92.9%	\$	1,177 443 (1,460) 39.12 FY 20 90.4%	\$	294 125 (386) 58.09 1 21 A 91.5%	\$	207 3 66.19 22.21 A 89.1%	Q	207 4 3 21 E 89.1%		207 448 4 21 E 89.1%	F	746 69 FY 21E 89.6%		828 4,319 FY 22E 89.3%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0%	\$ F	1,467 391 5,022 56.98 FY 19 92.9% 7.1%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6%	\$	294 125 (386) 58.09 1 21 A 91.5% 8.5%	\$	207 3 66.19 02.21 A 89.1% 10.9%	Q	207 4 23 21 E 89.1% 10.9%		207 448 4 21 E 89.1% 10.9%	F	746 69 FY 21E 89.6% 10.4%		828 4,319 FY 22E 89.3% 10.7%
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D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0%	\$ F	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0%	\$	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0%	\$ G	207 3 66.19 22.21 A 89.1% 10.9% 100.0%	Q	207 4 3 21 E 89.1% 10.9% 100.0%		207 448 4 21 E 89.1% 10.9% 100.0%	F	746 69 =Y 21E 89.6% 10.4% 100.0%		828 4,319 FY 22E 89.3% 10.7% 100.0%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5%	\$ F	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0%	\$ \$	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5%	\$ G	207 3 66.19 02 21 A 89.1% 10.9% 100.0% 54.2%	Q	207 4 23 21 E 89.1% 10.9% 100.0% 53.0%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0%	F	746 69 EY 21E 89.6% 10.4% 100.0% 52.5%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3%	\$ \$	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5% 87.4%	\$	207 3 66.19 22.21 A 89.1% 10.9% 100.0% 54.2% 70.6%	Q	207 4 3 21 E 89.1% 10.9% 100.0% 53.0% 70.0%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 70.0%	F	746 69 FY 21E 89.6% 10.4% 100.0% 52.5% 73.2%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0%	\$ \$	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5%	\$	207 3 66.19 02 21 A 89.1% 10.9% 100.0% 54.2%	Q	207 4 23 21 E 89.1% 10.9% 100.0% 53.0%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0%	F	746 69 EY 21E 89.6% 10.4% 100.0% 52.5%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8%	\$ F	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6%	\$ \$	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3%	\$ G	207 3 66.19 22.21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0%	Q	207 4 3 21 E 89.1% 10.9% 100.0% 53.0% 70.0% 54.9%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 70.0% 51.3%	F	746 69 FY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7%		828 4,319 TY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5%	\$ G	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3%	\$	207 3 66.19 22.21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8%	Q	207 4 3 21 E 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 70.0% 51.3%	F	746 69 EY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7% 47.5%		828 4,319 TY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7%	\$ G	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 12.6%	\$ G	207 3 66.19 22.21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4%	Q	207 4 3 21 E 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0%		207 448 4 21 E 89.1% 100.0% 49.0% 70.0% 51.3% 51.0% 30.0%	F	746 69 EY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7% 47.5% 26.8%		828 4,319 TY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5%	\$ G	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3%	\$ G	207 3 66.19 22.21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8%	Q	207 4 3 21 E 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 70.0% 51.3%	F	746 69 EY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7% 47.5%		828 4,319 TY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4%	\$ G	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 12.6% 42.7%	\$ G	207 3 66.19 22.21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0%	Q	207 4 3 21 E 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1%		207 448 4 21 E 89.1% 100.0% 49.0% 70.0% 51.3% 51.0% 30.0% 48.7%	F	746 69 EY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7% 47.5% 26.8% 45.3%		828 4,319 TY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4%	\$ S	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 12.6% 42.7%	\$ G	207 3 66.19 22 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1%	Q	207 4 3 21 E 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 45.1%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 70.0% 51.3% 51.0% 30.0% 48.7%	F	746 69 EY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7% 47.5% 26.8% 45.3% 46.5%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 28.6% 0.0%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4% 49.6% 0.0%	\$ \$	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 42.7% 50.2% 0.0%	\$ G	207 3 66.19 22 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0%		207 448 448 89.1% 10.9% 100.0% 49.0% 70.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0%	F	746 69 89.6% 10.4% 100.0% 52.5% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 37.1% 0.0%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 28.6% 0.0% 1.1%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4% 49.6% 0.0% 3.1%	\$ \$	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3%	\$ G	207 3 66.19 10.9% 10.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 70.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0% 2.5%	F	746 69 89.6% 10.4% 100.0% 52.5% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 0.0% 2.1%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 28.6% 0.0%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4% 49.6% 0.0%	\$ \$	294 125 (386) 58.09 1 21 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 42.7% 50.2% 0.0%	\$ G	207 3 66.19 22 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0%		207 448 448 89.1% 10.9% 100.0% 49.0% 70.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0%	F	746 69 89.6% 10.4% 100.0% 52.5% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 37.1% 0.0%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 28.6% 0.0% 1.1%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4% 49.6% 0.0% 3.1%	\$ \$	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3%	\$ G	207 3 66.19 10.9% 10.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 70.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0% 2.5%	F	746 69 89.6% 10.4% 100.0% 52.5% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 0.0% 2.1%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex	\$ F	897 1,059 9,930 65.23 65.23 65.23 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 28.6% 0.0% 1.1% 32.7%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5% 42.0%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4% 49.6% 0.0% 3.1% 58.7%	\$ \$	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3% 58.5%	\$ G	207 3 66.19 12 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8% 53.9%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8% 55.0%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 70.0% 51.3% 51.0% 48.7% 43.4% 0.0% 2.5% 51.0%	F	746 69 89.6% 10.4% 100.0% 52.5% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8% 54.3%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 0.0% 2.1% 43.7%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex	\$ F	897 1,059 9,930 65.23 65.23 65.23 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 28.6% 0.0% 1.1% 32.7%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5% 42.0%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4% 49.6% 0.0% 3.1% 58.7%	\$ \$	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3% 58.5%	\$ G	207 3 66.19 12 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8% 53.9%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8% 55.0%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 70.0% 51.3% 51.0% 48.7% 43.4% 0.0% 2.5% 51.0%	_F	746 69 89.6% 10.4% 100.0% 52.5% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8% 54.3%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 0.0% 2.1% 43.7%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex Operating income	\$ F	897 1,059 9,930 65.23 65.23 694.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 28.6% 0.0% 1.1% 32.7% 17.5%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5% 42.0% 8.1%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4% 49.6% 0.0% 3.1% 58.7% -14.4%	\$ \$	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3% 58.5% -15.8%	\$ G	207 3 66.19 12 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8% 53.9% -9.9%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8% 55.0% -9.8%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0% 2.5% 51.0% -2.2%	_F	746 69 EY 21E 89.6% 10.4% 100.0% 52.5% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8% 54.3% -9.0%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 37.1% 0.0% 2.1% 43.7% 6.1%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex Operating income	\$ F	897 1,059 9,930 65.23 65.23 694.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 28.6% 0.0% 1.1% 32.7% 17.5%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5% 42.0% 8.1%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4% 49.6% 0.0% 3.1% 58.7% -14.4%	\$ S	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 87.4% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3% 58.5% -15.8%	\$ S	207 3 66.19 12 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8% 53.9% -9.9%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8% 55.0% -9.8%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0% 2.5% 51.0% -2.2%	_ F	746 69 EY 21E 89.6% 10.4% 100.0% 52.5% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8% 54.3% -9.0%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 0.0% 2.1% 43.7% 6.1%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex Operating income Interest and Other	\$ F	897 1,059 9,930 65.23 65.23 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 28.6% 0.0% 1.1% 32.7% 17.5%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 0.0% 2.5% 42.0% 8.1%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 55.6% 46.5% 24.7% 44.4% 49.6% 0.0% 3.1% 58.7% -14.4%	\$ S	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3% 58.5% -15.8%	\$ \$	207 3 66.19 12 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8% 53.9% -9.9% 1.2%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8% 55.0% -9.8% 1.2%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 51.3% 51.0% 30.0% 43.4% 0.0% 2.5% 51.0% -2.2%	_ F	746 69 FY 21E 89.6% 10.4% 100.0% 52.5% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8% 54.3% -9.0%		828 4,319 FY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 37.1% 0.0% 2.1% 43.7% 6.1% 0.9%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex Operating income Interest and Other Pretax income	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 50.2% 0.0% 1.1% 32.7% 17.5% 1.4%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5% 42.0% 8.1%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 55.6% 46.5% 24.7% 44.4% 0.0% 3.1% 58.7% -14.4%	\$ \$	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3% 58.5% -15.8% 1.9%	\$ \$	207 3 66.19 12 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 53.9% -9.9% 1.2% -8.7%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8% 55.0% -9.8% 1.2%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0% 2.5% 51.0% -2.2% 1.1%	_ F	746 69 FY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8% 54.3% -9.0% 1.3%		828 4,319 EY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 37.1% 0.0% 2.1% 43.7% 6.1% 0.9% 7.0%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex Operating income Interest and Other Pretax income Tax Rate	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 0.0% 0.1,1% 32.7% 17.5% 1.4% 18.8% 29.3%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5% 42.0% 8.1% 1.0% 9.2% 43.3%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 55.6% 46.5% 24.7% 44.4% 0.0% 3.1% 58.7% -14.4% 2.0%	\$ \$	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3% 58.5% -15.8% 1.9%	\$ \$	207 3 66.19 12 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8% 53.9% -9.9% 1.2%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8% 55.0% -9.8% 1.2% -8.6% 26.0%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0% 2.5% 51.0% -2.2% 1.1% -1.2% 26.0%	_ F	746 69 FY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8% 54.3% -9.0% 1.3%		828 4,319 EY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 0.0% 2.1% 43.7% 6.1% 0.9% 7.0% 26.0%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex Operating income Interest and Other Pretax income Tax Rate	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 0.0% 0.1,1% 32.7% 17.5% 1.4% 18.8% 29.3%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5% 42.0% 8.1% 1.0% 9.2% 43.3%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 55.6% 46.5% 24.7% 44.4% 0.0% 3.1% 58.7% -14.4% 2.0%	\$ S	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 3.3% 58.5% -15.8% 1.9%	\$ S	207 3 66.19 12 21 A 89.1% 10.9% 100.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8% 53.9% -9.9% 1.2%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 0.0% 2.8% 55.0% -9.8% 1.2% -8.6% 26.0%		207 448 4 21 E 89.1% 10.9% 100.0% 49.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0% 2.5% 51.0% -2.2% 1.1% -1.2% 26.0%	F	746 69 FY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8% 54.3% -9.0% 1.3%		828 4,319 EY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 31.5% 49.7% 0.0% 2.1% 43.7% 6.1% 0.9% 7.0% 26.0%
D&A Stock Comp EBITDA WTI \$/barrel Sales of Goods Sales of Services Total Revenues Cost of goods Cost of services Total COGS Gross Profit-Goods Gross Profit-Services Gross Profit-Total G&A Payroll Expense Depreciation Opex Operating income Interest and Other Pretax income Tax Rate Net Income	\$ F	897 1,059 9,930 65.23 FY 18 94.0% 6.0% 100.0% 48.5% 70.1% 49.8% 51.5% 29.9% 0.0% 0.1.% 32.7% 1.4% 18.8% 29.3% 13.3%	\$	1,467 391 5,022 56.98 FY 19 92.9% 7.1% 100.0% 48.6% 67.3% 49.9% 51.4% 32.7% 50.1% 34.5% 0.0% 2.5% 42.0% 8.1% 1.0% 9.2% 43.3% 5.2%	\$	1,177 443 (1,460) 39.12 FY 20 90.4% 9.6% 100.0% 53.5% 75.3% 55.6% 46.5% 24.7% 44.4% 0.0% 3.1% 58.7% -14.4% 2.0% -12.4% 18.2% -10.1%	\$ S	294 125 (386) 58.09 121 A 91.5% 8.5% 100.0% 54.5% 57.3% 45.5% 12.6% 42.7% 50.2% 0.0% 58.5% 1.9% -13.9% 15.2% -11.8%	\$ S	207 3 66.19 22 21 A 89.1% 10.0% 54.2% 70.6% 56.0% 45.8% 29.4% 44.0% 46.1% 0.0% 2.8% -9.9% 1.2% -8.7% 24.0% -6.6%	Q	207 4 89.1% 10.9% 100.0% 53.0% 70.0% 54.9% 47.0% 30.0% 45.1% 47.0% 2.8% 55.0% -9.8% 1.2% -8.6% 26.0% -6.4%		207 448 4 21 E 89.1% 10.0% 49.0% 70.0% 51.3% 51.0% 30.0% 48.7% 43.4% 0.0% 2.5% 51.0% -2.2% 1.1% -1.2% 26.0% -0.9%	F	746 69 FY 21E 89.6% 10.4% 100.0% 52.5% 73.2% 54.7% 47.5% 26.8% 45.3% 46.5% 0.0% 2.8% 54.3% -9.0% 1.3% -7.7% 21.2% -6.1%		828 4,319 EY 22E 89.3% 10.7% 100.0% 48.1% 68.5% 50.3% 51.9% 37.1% 0.0% 2.1% 43.7% 6.1% 0.9% 7.0% 26.0% 5.2%

Source: Profire Energy, Inc. and Dawson James Securities estimates



Exhibit 2. Balance Sheet and Cash Flow Statement

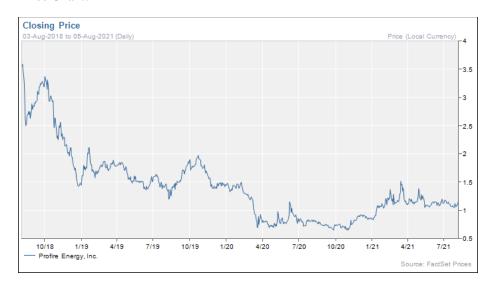
Φ : 000I-										
\$ in 000's		FY 18		FY 19		FY 20	F	Y 21E	F	Y 22E
		0				1 1 20	ľ	1 212	ď	1 222
Cash		10,102		7,359		9,148		10,258		11,055
ST Investments		4,558		3,822		2,389		2,087		2,087
A/R		6,885		5,598		3,720		4,166		5,509
Inventories		9,660		9,572		8,415		7,566		8,639
Prepaid Expenses & Other	_	647	•	1,750	•	2,165	•	1,715	•	2,268
Current Assets	\$	31,851	\$	28,100	\$	25,836	\$	25,792	\$	29,559
LT Investments		7,978		7,400		6,064		7,133		7,133
Financing right of use asset		0		108		50		29		29
PP&E		8,020		12,071		12,022		11,559		11,234
Deferred Tax Asset		85		0		0		0		0
Intangible Assets		430		1,990		1,772		1,543		1,313
Goodwill		998		2,579		2,579		2,579		2,579
Total Assets	\$	49,363	\$	52,248	\$	48,323	\$	48,635	\$	51,847
A/P		1 170		2 624		1,179		1 202		1 020
Accrued liabilities		1,178 1,757		2,634 2,089		1,179		1,383 1,635		1,829 1,927
Financing lease		0		59		39		30		30
Income tax payable		1,172		403		0		0		0
Current Liabilities	\$	4,107	\$	5,185	\$	2,415	\$	3,049	\$	3,787
		,		·		·				
Deferred Tax Liability		0		439		523		602		602
Financing Lease Liability		0		52		13		0		0
Equity		45,256		46,572		45,372		44,985		47,458
Total Equity & Liab.	\$	49,363	\$	52,248	\$	48,323	\$	48,635	\$	51,847
		FY 18		FY 19		FY 20	F	Y 21E	F	Y 22E
Net		6,081		2,021		(2,176)		(1,442)		1,645
D&A		897		1,467		1,177		1,464		1,555
Stock issued for services		1,059		391		443		746		828
Other		69		201		(123)		(222)		0
Working Capital		(2,553)		3,633		943		1,846		(2,231)
Operating Cash Flow	\$	5,553	\$	7,713	\$	264	\$	2,392	\$	1,797
Other		359		1,611		3,314		(650)		0
Acquisition		0		(4,384)		0,514		(030)		0
CapEx		(1,928)		(4,665)		(1,547)		(593)		(1,000)
Investing Activities	\$	(1,568)	\$	(7,437)		1,767	\$	(1,243)	\$	(1,000)
E musiku		(F. 222)		(0.077)		(450)		(40)		0
Equity		(5,233)		(2,977)		(153)		(43)		0
Lease Liability Financing Activities	\$	0 (5,233)	\$	(74) (3,050)		(58) (210)	Q	(22) (65)		Ū
I manoing Addivides	Ψ	(3,233)	Ψ	(3,030)	Ψ	(210)	Ψ	(00)	Ψ	_
FX		(95)		31		(31)		25		0
Change in Cash	\$	(1,344)	\$	(2,743)	\$	1,789	\$	1,110	\$	797
Change in Oash	Ψ	(1,544)	Ψ	(2,143)	Ψ	1,703	Ψ	1,110	Ψ	131

Source: Profire Energy, Inc. and Dawson James Securities estimates



Important Disclosures:

Price Chart:



Price target and ratings changes over the past three years:

Initiated – Buy – May 12, 2021 – Price Target \$1.65

Update - Buy - June 21, 2021 - Price Target \$1.65

Update - Buy - August 6, 2021 - Price Target \$1.65

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- 1) **Buy**: the analyst believes the price of the stock will appreciate and produce a total return of at least 20% over the next 12-18 months;
- Neutral: the analyst believes the price of the stock is fairly valued for the next 12-18 months;
- 3) **Sell**: the analyst believes the price of the stock will decline by at least 20% over the next 12-18 months and should be sold.

The following chart reflects the range of current research report ratings for all companies, followed by the analysts of the Firm. The chart also reflects the research report ratings relating to those companies for which the Firm has performed investment banking services.

As of: 3-Aug-21

	Company Co	verage	Investment	Banking
Ratings Distribution	# of Companies	% of Total	# of Companies	% of Totals
Market Outperform (Buy)	25	71%	4	16%
Market Perform (Neutral)	10	29%	0	0%
Market Underperform (Sell)	0	0%	0	0%
Total	35	100%	4	11%

Analyst Certification:

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