

Impreso, Inc. and Subsidiaries**Consolidated Balance Sheet****August 31, 2021, 2020, and 2019**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Assets			
Current Assets			
Trade accounts receivable - Net of allowance for doubtful accounts of \$730,491 as of August 31, 2021; \$603,660 as of August 31, 2020; and \$679,275 as of August 31, 2019	\$ 8,464,012	\$ 7,144,809	\$ 8,792,502
Inventories - Net of allowances	27,014,227	19,386,811	20,723,656
Prepaid expenses and other	676,677	352,840	359,967
Total current assets	36,154,916	26,884,460	29,876,125
Property and Equipment - Net of accumulated depreciation	11,447,963	10,966,336	7,051,321
Noncurrent assets - Deposits	113,097	113,097	113,097
Total assets	<u><u>\$ 47,715,976</u></u>	<u><u>\$ 37,963,893</u></u>	<u><u>\$ 37,040,543</u></u>
Liabilities and Stockholders' Equity			
Current Liabilities			
Checks issued in excess of funds held on deposit	\$ 2,016,197	\$ 1,487,092	\$ 2,481,879
Accounts payable	4,673,664	5,858,163	4,581,967
Line of credit	6,224,907	2,477,929	3,828,634
Current maturities of long-term debt	1,205,877	435,894	439,532
Accrued sales rebates	3,395,011	3,945,997	3,598,077
Accrued liabilities	2,404,802	1,965,662	1,961,340
Total current liabilities	19,920,458	16,170,737	16,891,429
Long-term Debt - Net of current maturities	5,170,660	3,891,082	1,670,618
Deferred Tax Liability	1,165,626	486,854	527,312
Total liabilities	26,256,744	20,548,673	19,089,359
Stockholders' Equity			
Preferred stock, \$0.01 par value; 5,000,000 shares authorized; 0 shares issued and outstanding	-	-	-
Common stock, \$0.01 par value; 15,000,000 shares authorized; 5,292,780 issued; 4,021,263 outstanding as of August 31, 2021, 2020, and 2019	52,928	52,928	52,928
Additional paid-in capital	6,353,656	6,353,656	6,353,656
Retained earnings	16,411,933	12,367,921	12,903,885
Treasury stock (1,271,517 shares as of August 31, 2021, 2020, and 2019, at cost)	(1,359,285)	(1,359,285)	(1,359,285)
Total stockholders' equity	21,459,232	17,415,220	17,951,184
Total liabilities and stockholders' equity	<u><u>\$ 47,715,976</u></u>	<u><u>\$ 37,963,893</u></u>	<u><u>\$ 37,040,543</u></u>

Impreso, Inc. and Subsidiaries**Consolidated Statement of Operations****Years Ended August 31, 2021, 2020, and 2019**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net Sales	\$ 98,484,108	\$ 96,151,574	\$ 115,265,459
Cost of Sales	<u>86,950,647</u>	<u>85,772,467</u>	<u>102,383,448</u>
Gross Profit	11,533,461	10,379,107	12,882,011
Selling, General, and Administrative Expense	<u>10,374,135</u>	<u>10,167,523</u>	<u>10,109,377</u>
Operating Income	1,159,326	211,584	2,772,634
Other (Expense) Income			
Interest expense	(304,727)	(326,932)	(488,469)
Other income (expense) - Net	1,084,414	1,128	(17,015)
Gain from PPP debt forgiveness	<u>2,410,300</u>	<u>-</u>	<u>-</u>
Total nonoperating income (expense)	<u>3,189,987</u>	<u>(325,804)</u>	<u>(505,484)</u>
Income (Loss) - Before income taxes	4,349,313	(114,220)	2,267,150
Income Tax Expense	<u>305,301</u>	<u>421,744</u>	<u>571,416</u>
Consolidated Net Income (Loss)	<u><u>\$ 4,044,012</u></u>	<u><u>\$ (535,964)</u></u>	<u><u>\$ 1,695,734</u></u>

Impreso, Inc. and Subsidiaries**Consolidated Statement of Cash Flows**

	Years Ended August 31, 2021, 2020, and 2019		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities			
Net income (loss)	\$ 4,044,012	\$ (535,964)	\$ 1,695,734
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:			
Depreciation and amortization	802,182	629,073	735,540
Deferred income tax expense (recovery)	678,772	(37,196)	31,635
Changes in operating assets and liabilities that (used) provided cash:			
Accounts receivable	(1,319,203)	1,647,693	(1,787,086)
Inventories	(7,627,416)	1,336,845	620,796
Prepaid expenses and other	(323,837)	7,127	125,620
Noncurrent assets	-	-	(24,662)
Accounts payable	(1,184,499)	1,276,196	817,469
Accrued liabilities	(111,847)	219,556	(115,914)
Net cash (used in) provided by operating activities	(5,041,836)	4,543,330	2,099,132
Cash Flows Used in Investing Activities - Additions to property, plant, and equipment	(1,283,808)	(4,414,664)	(1,720,745)
Cash Flows from Financing Activities			
Checks issued in excess of funds on deposit	529,105	(994,787)	245,566
Borrowings on line of credit	113,034,405	100,593,257	115,828,786
Payments on line of credit	(109,287,427)	(101,943,962)	(116,407,050)
Borrowings on debt	4,962,073	2,514,252	395,062
Payments on debt	(2,912,512)	(297,426)	(440,751)
Net cash provided by (used in) financing activities	6,325,644	(128,666)	(378,387)
Net Change in Cash	-	-	-
Cash - Beginning of year	-	-	-
Cash - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>