

IMPRESO, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

ASSETS
(unaudited)

	Nov 30, 2022
Current assets:	
Cash	\$ (4,794,446)
Trade accounts receivable, net of allowance for doubtful accounts of as of (\$802,538) Nov 30,2021, and (\$806,505) as of August 31, 2022	12,093,114
Inventories, net of allowances	35,621,406
Prepaid expenses and other	839,877
Deferred income tax assets	241,470
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Total current assets	44,001,421
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Property, plant and equipment, at cost	29,563,021
Less accumulated depreciation	(17,536,008)
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Net property, plant and equipment	12,027,013
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Noncurrent assets:	
Other assets	113,097
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Total assets	<u>\$ 56,141,532</u>

IMPRESO, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONTINUED)
LIABILITIES AND STOCKHOLDERS' EQUITY
(unaudited)

	<u>Nov 30, 2022</u>	<u>August 31, 2022</u>
Current liabilities:		
Accounts payable	\$ 4,835,820	\$ 5,816,591
Accrued liabilities	2,398,576	1,918,613
Accrued commissions	7,063,586	5,933,223
Current maturities of long-term debt	1,149,713	1,149,713
Total current liabilities	15,447,695	14,818,140
Long-term debt, net of current maturities	3,192,916	3,538,054
Line of credit	10,398,749	14,673,439
Deferred tax liability	441,615	1,528,774
Total liabilities	29,480,975	34,558,407
Stockholders' equity:		
Preferred stock, \$.01 par value; 5,000,000 shares authorized; 0 shares issued and outstanding	0	0
Common stock, \$.01 par value; 15,000,000 shares authorized; 5,292,780 issued and 4,021,263 outstanding	52,928	52,928
Additional paid-in capital	6,353,656	6,353,656
Retro adjustment to past retained earnings	(145,423)	(1,012,868)
Prior retained earnings	20,837,462	18,098,178
Current retained earnings	921,219	2,739,284
Stockholders' equity	28,019,842	26,231,178
Treasury stock (1,271,517 shares, at cost)	(1,359,285)	(1,359,285)
Total stockholders' equity	26,660,557	24,871,893
Total liabilities and stockholders' equity	\$ 56,141,532	\$ 59,430,300

IMPRESO, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended Nov 30, 2022	Twelve Months Ended August 31, 2022
Net sales	\$ 33,579,621	\$ 112,359,993
Cost of sales	<u>28,825,073</u>	<u>98,906,594</u>
Gross profit	4,754,548	13,453,399
Loss on disposal of assets	-	-
Selling, general and administrative expenses	<u>3,613,748</u>	<u>11,781,155</u>
Operating income	1,140,800	1,672,244
Other expenses (income):		
Interest expense	(261,295)	(444,618)
Other (income) / expense, net	39,266	58,713
Gain from PPP Debt Forgiveness		<u>2,000,000</u>
Total other expense, net	(222,029)	1,614,095
Income before income tax expense	918,771	3,286,339
Income tax expense:		
Current	(2,445)	547,055
Deferred	<u>-</u>	<u>-</u>
Total income tax expense	(2,445)	547,055
Net income	<u><u>\$ 921,216</u></u>	<u><u>\$ 2,739,284</u></u>