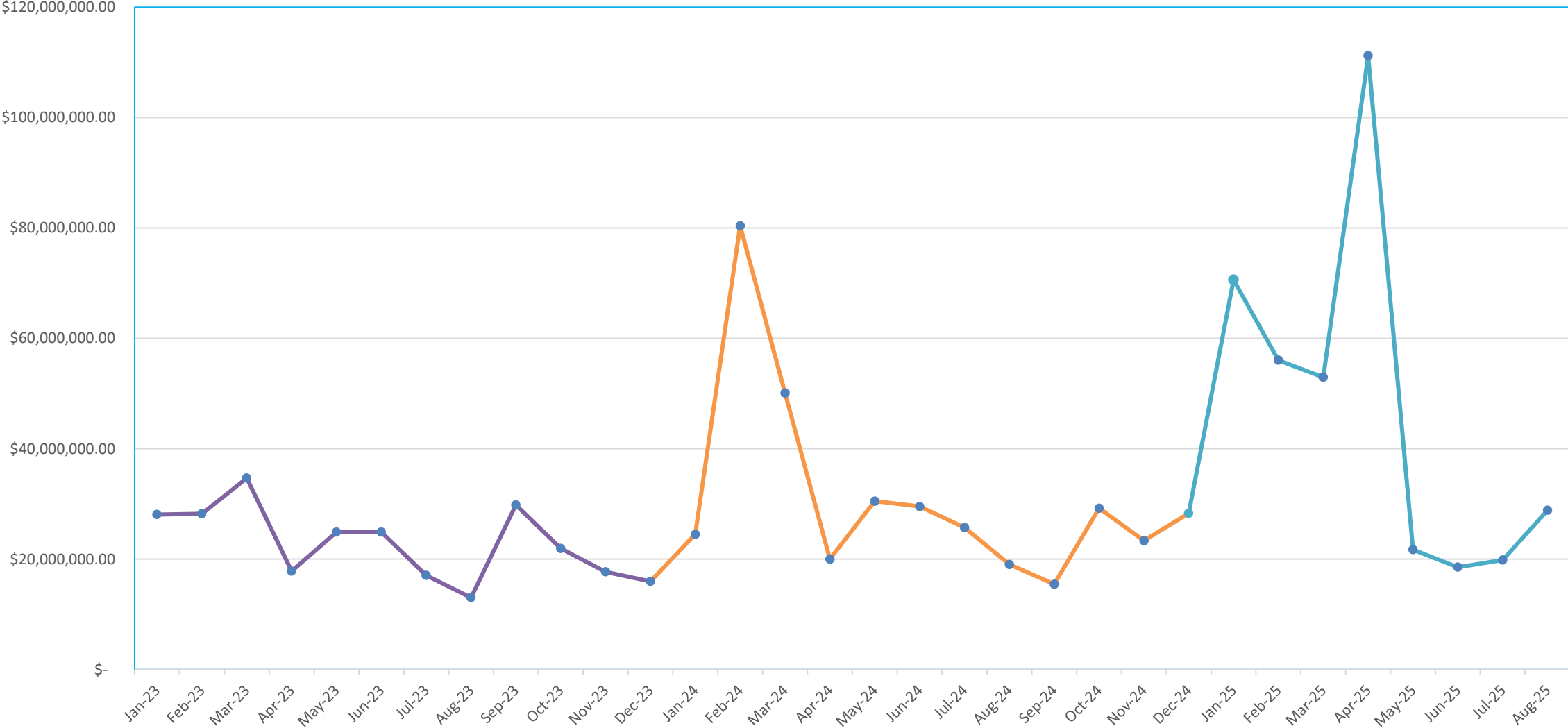


BUSINESS UPDATE

David Peacock, *President*

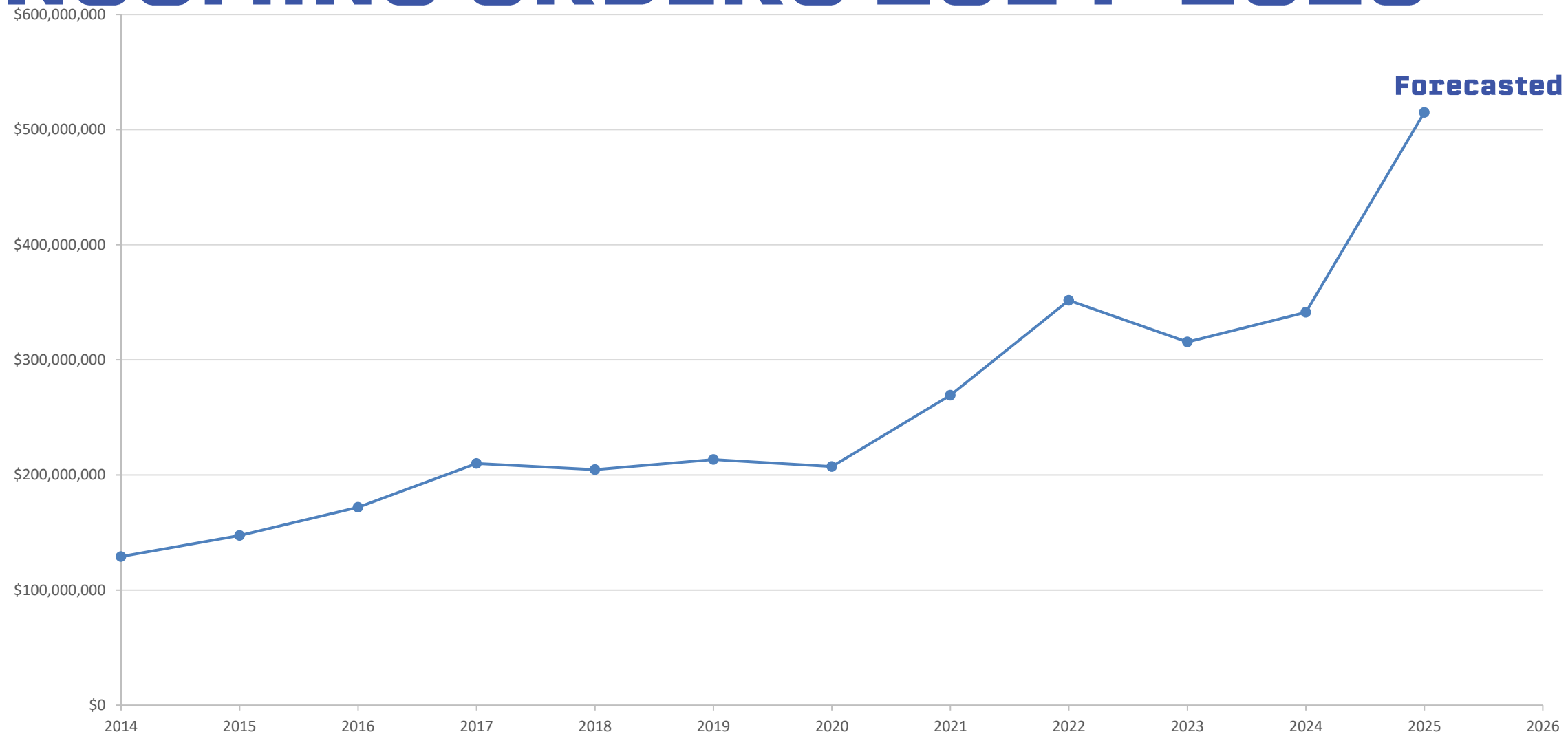
PERFORMANCE INCOMING ORDERS



POWERED THROUGH PARTNERSHIP



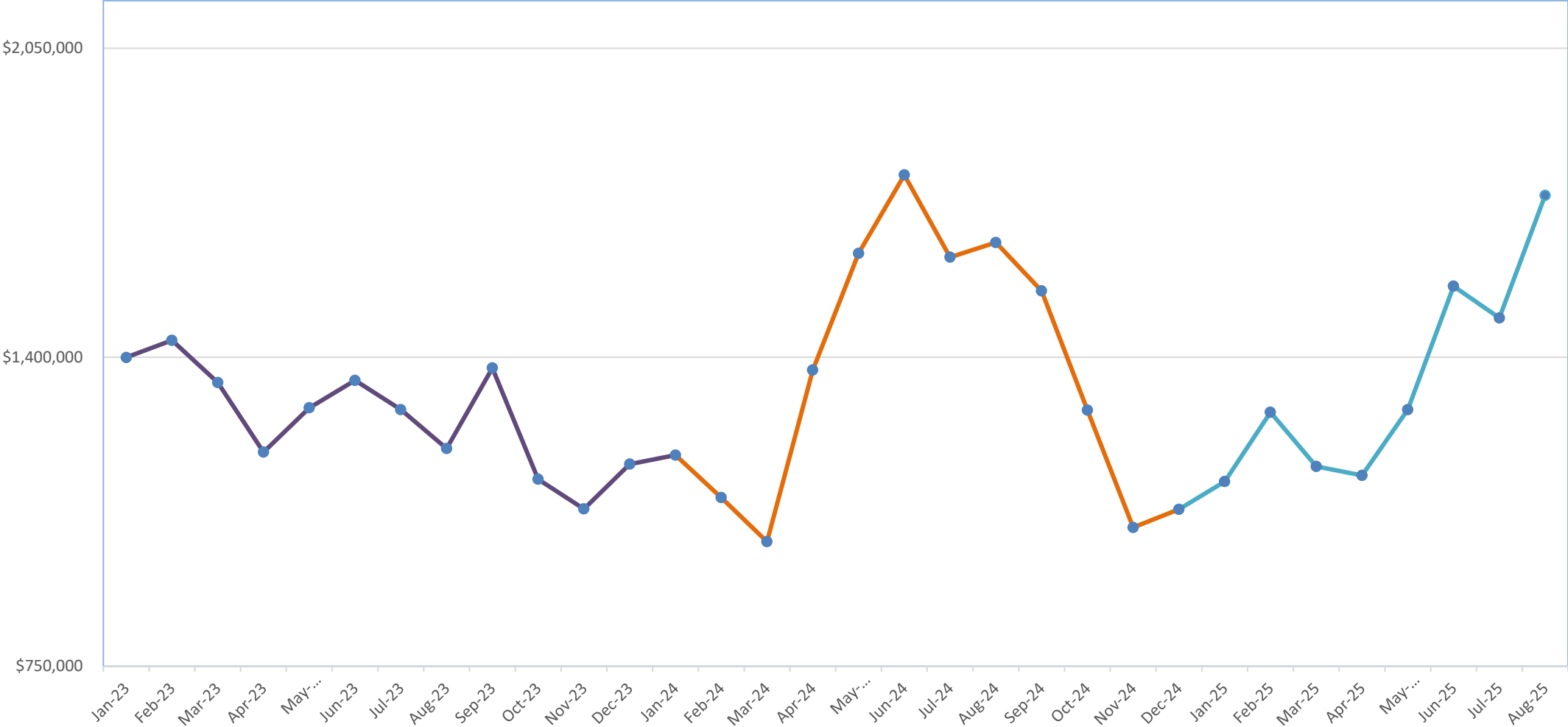
INCOMING ORDERS 2014-2025



POWERED THROUGH PARTNERSHIP



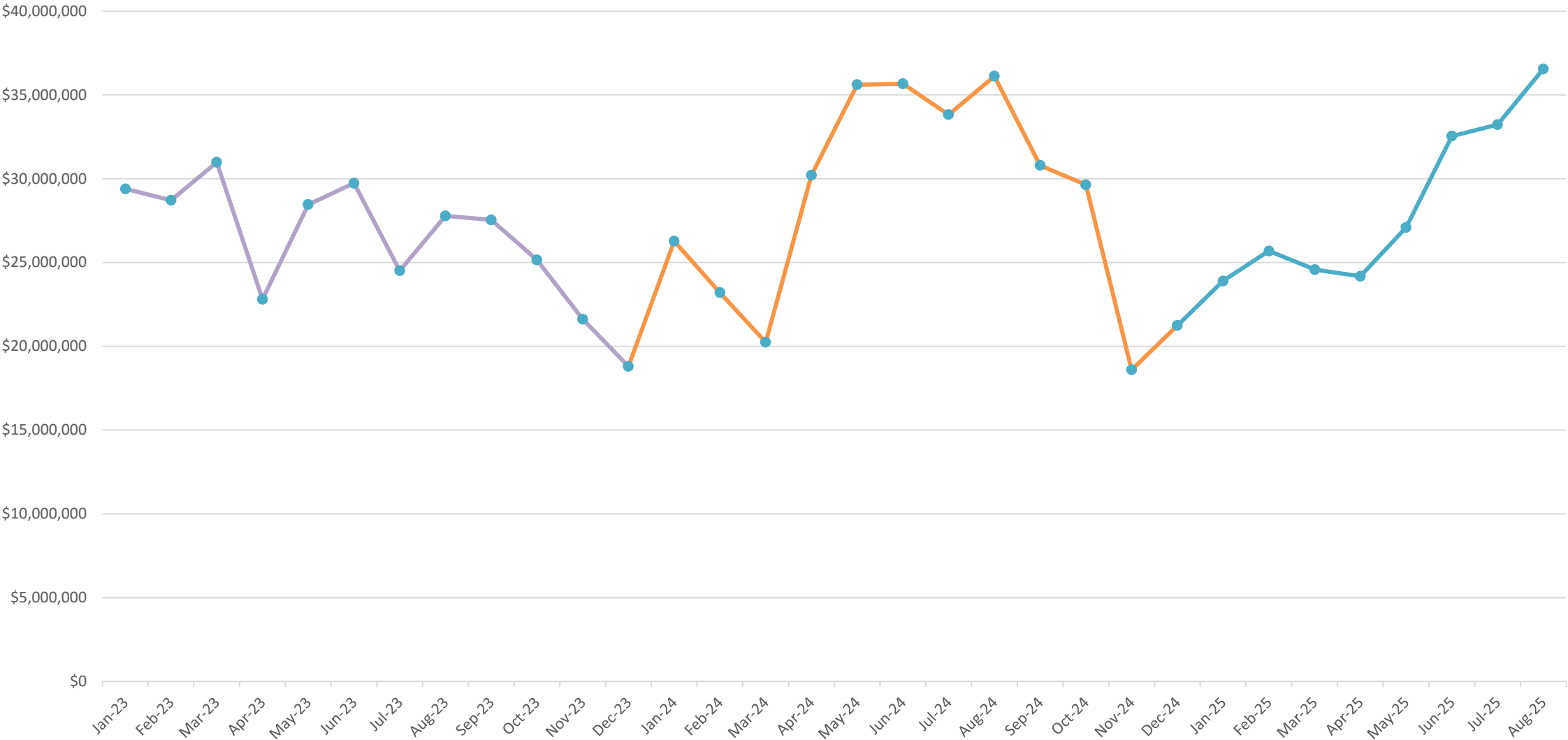
DAILY OUTPUT 2023-2025



POWERED THROUGH PARTNERSHIP



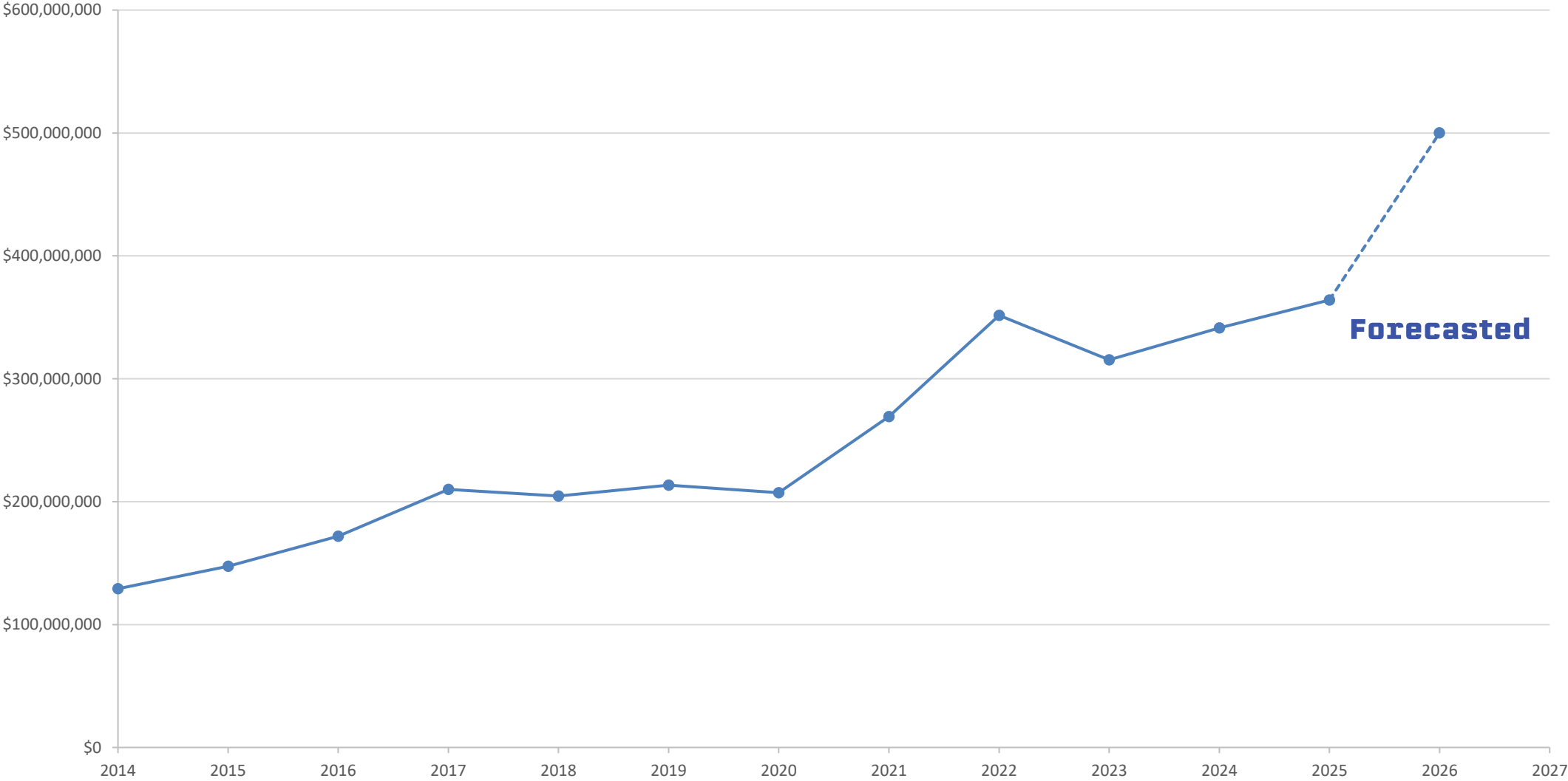
PERFORMANCE SHIPMENTS



POWERED THROUGH PARTNERSHIP



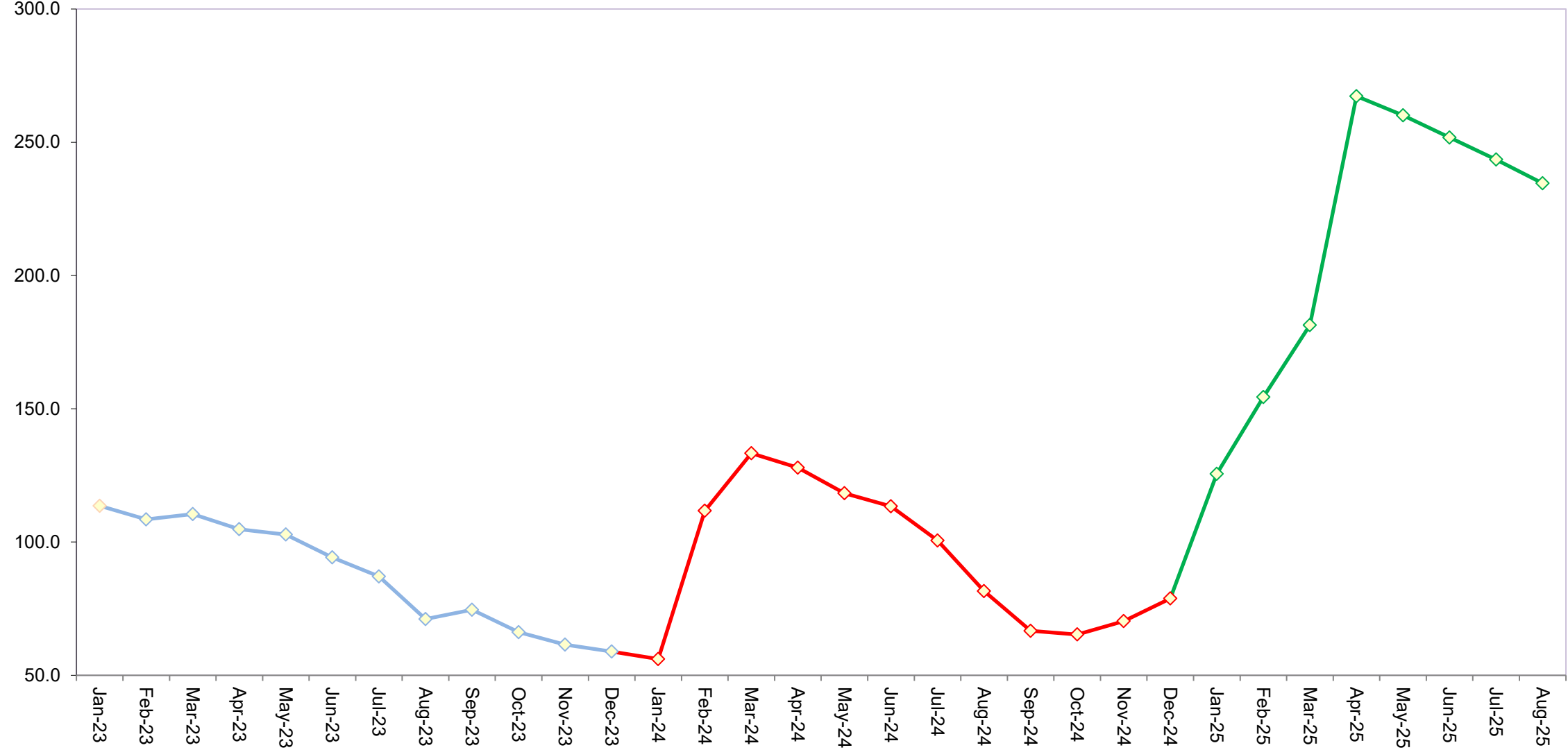
SHIPMENTS 2014-2025



POWERED THROUGH PARTNERSHIP



PERFORMANCE 36 MONTHS BACKLOG



POWERED THROUGH PARTNERSHIP





AMAZON AGREEMENT

- Amazon creating an independent product catalog
- They explored Hytrol's product catalog as a foundation
- Hytrol insisted on maintaining our Go-To-Market strategy
- Delayed Amazon's decision
- Protected the Hytrol IP Network!
- Working exclusively through our IP Network, Hytrol and Amazon agreed to:
- Hytrol to provide Engineering support to build Amazon's product catalog using Hytrol's product as the foundation
- Coordination with the Network to support equipment procurement for Amazon requirements
- Established standards and pricing
- This path enables the Hytrol IP Network to maintain (and grow!) our involvement with Amazon's product procurement.



BREACH

- 7/31 – 2am-5am - Firewall compromised
- 7/31 – 6am – severed all external connections
- Focus was initially on ensuring shop floor production capability
- 8/2 - Fully operational on 3rd shift
 - Required activities not always aligned with standard processes
- 8/11 – Implemented new Firewall
 - No IP data was compromised



PAYMENT TERMS

Standard 1% 10/Net 30

- All parts orders and standard orders <\$800K

Equipment Orders Exceeding \$800K

• Net 30 Terms with Milestones

o	Receipt of PO	15%
o	System Design Approval	20%
o	Manufacturing Begins	25%
o	Bill as Truckload Completed	40%

• Net 30 Terms with Controls

o	Receipt of PO	20%
o	System Design Approval	20%
o	Start Shipping	25%
o	Bill as Truckload Completed	25%
o	Bill as Controls Completed	10%

• Net 60 Terms with Milestones

o	Receipt of PO	20%
o	System Design Approval	40%
o	Bill as Truckload Completed	40%

• Net 60 Terms with Controls

o	Receipt of PO	20%
o	System Design Approval	40%
o	Bill as Truckload Completed	30%
o	Bill as Controls Completed	10%

PURCHASE ORDERS > \$800K

2024

- **62 POs**
- **24 IPs**
- **8 IPs with more than 1**

2025

- **66 POs**
- **18 IPs**
- **7 IPs with more than 1**

QUESTIONS?