

# ***PROFIRE***

## INVESTOR OVERVIEW



# INVESTOR OVERVIEW | NASDAQ: PFIE

## OUTLOOK AND KEY FINANCIALS

### FY2017 GUIDANCE

*No quantitative guidance provided*

MARGINS	FY16T*	Q12017
Gross:	51%	56%
Net (after tax):	0%	8%
EBITDA:	\$(0.2)M -0%	\$1.3M 17%
Net Cash from Op. Activities	\$2.4M	\$2.0M
Debt:	\$0.0M	\$0.0M

### COMPANY & INDUSTRY HIGHLIGHTS

- Industry leader in niche oilfield technology with approximately 52k units installed
- One of the 500 fastest-growing companies in North America (Deloitte 2013 & 2014).
- 2 patents issued, more pending
- Improving safety in an industry with a fatality rate 2.4x higher than the 'average worker' (CDC-2015).

### ANALYST COVERAGE

Chardan Capital Markets  
 Lake Street Capital Markets  
 Roth Capital Partners

*see "disclaimer and references" page*

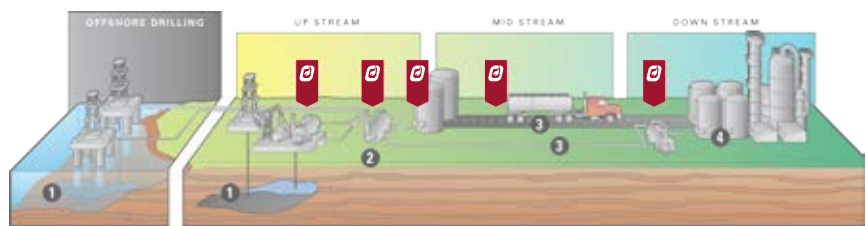
*\*Profire changed its fiscal year from March 31 to Dec 31. This period only reflects 9 months of activity*

## PROFIRE - WHO ARE WE?

Profire Energy, Inc. is a leading oilfield-technology company that specializes in burner and chemical management systems. Our flagship burner management system (BMS) products ignite, monitor, and manage the burner flames that are widely used in oilfield production and transportation equipment (i.e. firetube vessels). The illustration below shows where Profire's products are used in the industry (indicated by red Profire flags in figure 1 below):

Without a burner management system, increased manual labor is required to ensure the flames are burning at the correct temperature, and production can become compromised. When a burner flame goes out completely, a worker reignites it manually, using a fuel-soaked rag and stick. This is inefficient and dangerous.

FIGURE 1



## OUR INDUSTRY

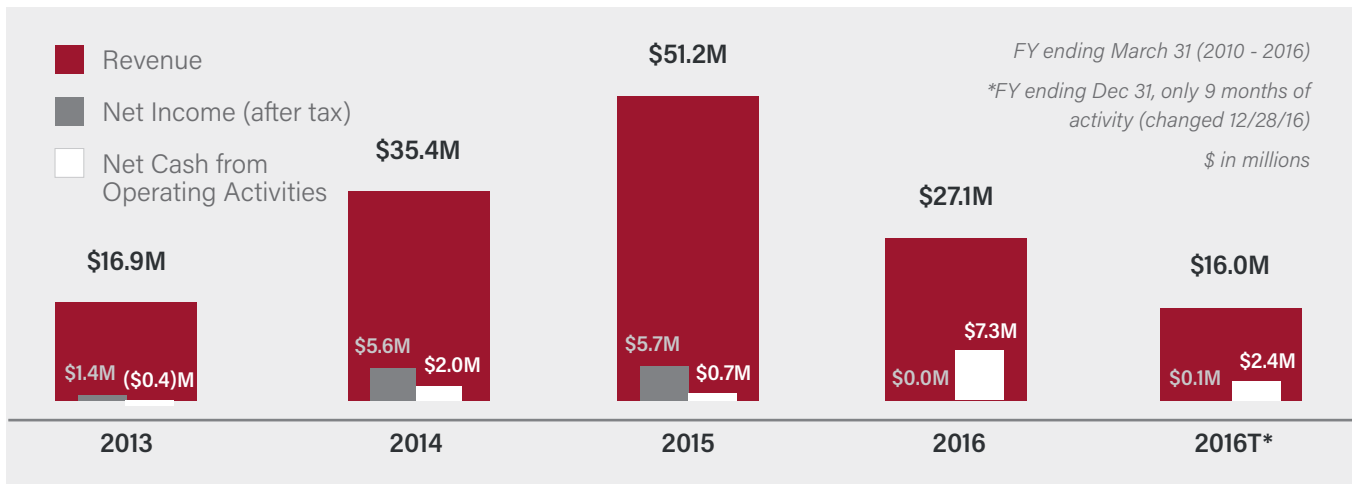
In North America alone, there are an estimated ~1.7M oil and gas wells. This suggests a potential BMS market of ~0.85M-1.7M fire tube vessels today (assuming 0.5 - 1 per well), and a potentially significant market. Additionally, an estimated 60% of wells use chemical at the well head, representing a potential of ~1M installations of our CMS technology.



## HISTORICAL FINANCIALS - ANNUAL

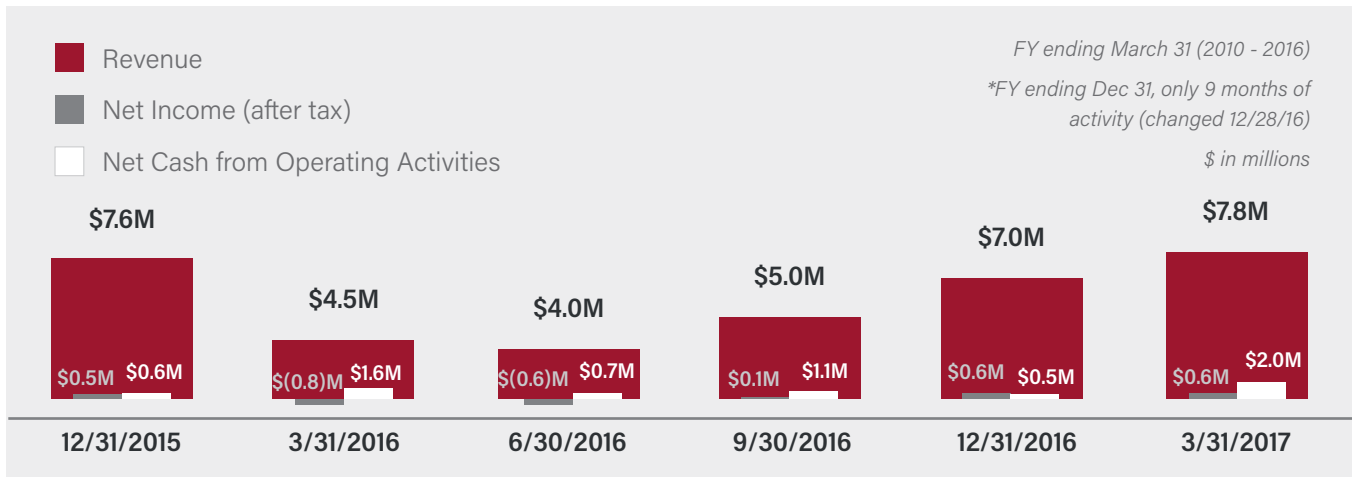
Profire Energy, Inc. Profire Energy has ~50.2M shares outstanding <sup>1</sup>, with ~24.5M shares floated. Trailing fifty-day average volume is ~83K shares <sup>2</sup>, with a market cap of ~\$61M <sup>2</sup>. See Figure 2 below for an illustration of Profire's historical annual financials (as well as the "disclaimer and references" page for information pertaining to the footnotes).

FIGURE 2



## HISTORICAL FINANCIALS - QUARTERLY

Profire's consistent ability to operate efficiently, generate positive cash-flow, and thus remain debt free has created a significant current position, and poises Profire for long-term growth. Please note that as of the most recent quarter, revenues have increased 11% Quarter-over-Quarter, and Profire, for the past three quarters, has generated double-digit revenue growth.



# PROFIRE

## OUR CUSTOMERS

We sell to distributors (e.g. Cameron), oil/gas producers (e.g. Shell, Chesapeake), oilfield servicers (e.g. Valerus), and OEMs (e.g. Leed Fabrication, Pride of the Hills Manufacturing). Some of our distribution channels are international (e.g. Brazil, Australia). Below you'll find just a few of the customers we commonly work with.



## OUR VALUE

Three main factors drive our product sales, in both the BMS and CMS market: first, improved efficiency (6-12 month payback), second, improved safety, and third, improved compliance (state and industry).



IMPROVED  
EFFICIENCY



IMPROVED  
SAFETY



IMPROVED  
COMLIANCE

## OUR POSITION

Profire Energy is the only public company specializing in oilfield BMS in North America, with approximately 52,000 units installed. We excel in providing solutions to some of the largest players in the oil & gas industry.

# PROFIRE

## OUR PRODUCTS

We have designed a robust product line to meet the demands of a wide array of oilfield vessels. Each is designed for a slightly different use and environment, but ultimately helps monitor and/or manage the flames used in oilfields. In fiscal 2015 extended our product line to include chemical management systems (CMS). We also sell complementary products (e.g. comm. & expansion cards, Airplate), which greatly enhance overall burner management solutions for our customers.

FIGURE 3



PF3100



PF2100



PF2100I



PF2100F



PC180 (CMS)



COMPLETE SOLUTIONS



VM80 & VALVES



PILOTS & FLARES



PF1300F



AIRPLATES



## OUR LEADERSHIP

Profire boasts an experienced leadership team, with diverse industry backgrounds.



**BRENTON W. HATCH**  
CHAIRMAN & CEO

Executive / Oilfield Technology  
Former GM at Titan Technologies



**RYAN W. OVIATT**  
CFO

Public Comp. Senior Mgmt & Audit  
Former Senior Manager at Rio Tinto



**HAROLD ALBERT**  
DIRECTOR

Executive / Oilfield Technology  
Former Executive at Profire and  
Titan Technologies



**DAREN J. SHAW**  
DIRECTOR

Investment Banking  
Managing Director, D.A. Davidson & Co.



**RONALD R. SPOEHEL**  
DIRECTOR

Executive / Investment Banking  
Former CFO of NASA



**ARLEN B. CROUCH**  
DIRECTOR

Executive / Financial Sector  
Former CEO, Franklin Covey;  
VP, Merrill Lynch

## INVESTOR CONTACT

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## OUR OFFICES

Lindon, UT (*US Hdqtrs*)  
Edmonton, AB (*CAN Hdqtrs*)  
Oklahoma City, OK  
Houston, TX  
Victoria, TX  
Tioga, PA  
Greeley, CO





## INVESTOR OVERVIEW | DISCLAIMER & REFERENCES

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### REFERENCES

- 1) Shares outstanding as of March 31, 2017.
- 2) Stock price and trailing 50-day avg. vol. as of May 9, 2017.
- 3) FY2015-2016T represented the worst industry downturn in over 20 years for the oil & gas industry.

### NOTE

2016T - Profire changed its fiscal year from March 31 to Dec 31. This period only reflects 9 months of activity

### DISCLAIMER

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