

### Converter of Plastic Liners- Specialized Application for the Oil and Gas Industry

*De Facto Proprietary Conversion and Production Capabilities Lend Themselves to  
This Demanding Application*

*Market Demand Has Pulled This Company Into This Niche Application  
BUT-Other Markets and Applications Exist*

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- **Mission Critical Product in an Expanding Industry:** The primary industry served right now, based on demand pull, is the oil and gas sector. Wells cannot be drilled and frac'd without these products. These products are needed to maintain water levels and wells cannot be drilled without these products.
  - **Consumable Product:** The products are converted from raw material, produced and sold for a single use. Once used in this application they cannot be effectively re-used. This creates a continual demand and a recurring revenue stream.
  - **.Custom and Efficient Production Facility:** The Company has built custom production and conversion facilities to best meet market demands. The Company's production for re-enforced product includes 2 custom welding lanes specifically designed for this application; one is 225 feet long and the other 400 feet. Furthermore, management had a well known Corporation custom design and install a folding and welding machine specifically for this application. The Company's custom designed and effectively proprietary production facility empowers it to meet the demanding needs of its market with almost immediate production times.
  - **End User Diversity Adaptability:** The Company, can and has produced, liners for agricultural and industrial applications. While demand and related margins have effectively focused the Company on the oil and gas sector, opportunity has, and does exist, outside of that sector. Any company in industrial or agricultural liners could expand into the oil and gas sector while maintaining its position in its existing markets. This adaptability mitigates risk and insulates the Company against any unlikely down turn in the O&G sector.
  - **Green:** The Company's products all provide some form of environmental protection.
  - **Management Team/ Employee Base/ Safety/ Quality:** The Company has a complete management team in place along with an experienced non-union employee base. The Company has Safety and Quality Programs in place and has excellent records in both regards.

### The Opportunity

Established for over 20 years, the Company has produced, converted and sold custom-sized pit liners, tarps, covers and pond liners for oil & gas exploration and production, environmental containment, landfill, agriculture and the construction industries. The Company converts and distributes polyethylene sheeting in a wide variety of mono-layer extruded films ranging from 6 mil to 40 mil thick. For other applications, the Company converts and distributes reinforced Woven Coated Polyethylene material ranging from 7 mil to 24 mil thick and Dura-Skrim String Reinforced Polyethylene ranging from 6 to 36 mil in thickness.

The Company has invested in the facility such that it can convert large and custom sizes of raw material into finished product with a high quality weld, efficiently and on a timely basis. The ability to quickly produce and convert, with high quality raw materials and with high quality welds, are all factors that have caused the oil and gas market to demand the Company's products.

*This Company is an ideal acquisition for anyone selling any type of products and/or supplies into the O&G market **OR** another converter that's not entrenched in this lucrative market and wants to be immediately **OR** an international company looking for an instant US footprint in this market and geography **OR** a financial acquirer looking for defensible, sustainable portfolio company.*

**Revised and Pro Forma Income Statements**  
for the Fiscal Years Ended December 31 and the Six Months Ended June 30, 2011  
(\$000)

Schedule 2

	Recast			Interim	Base Year	Pro Forma				
	2008	2009	2010	Jun-11	2011	2012	2013	2014	2015	2016
<b>Revenue</b>	29,863	17,805	44,751	33,821	60,000	63,000	66,200	69,500	73,000	76,700
<b>Gross Profit</b>	8,263	6,029	12,872	10,606	17,340	18,270	19,264	20,294	21,389	22,550
% of Sales	27.7%	33.9%	28.8%	31.4%	28.9%	29.0%	29.1%	29.2%	29.3%	29.4%
<b>EBITDA</b>	4,995	3,095	8,737	8,714	12,890	13,728	14,431	15,364	16,363	17,428
% of Sales	16.7%	17.4%	19.5%	25.8%	21.5%	21.8%	21.8%	22.1%	22.4%	22.7%
<b>Owners' Cash Flow</b>	5,125	3,231	8,880	8,789	13,033	13,871	14,574	15,507	16,506	17,571
% of Sales	17.2%	18.1%	19.8%	26.0%	21.7%	22.0%	22.0%	22.3%	22.6%	22.9%

**eMerge M&A**

eMerge M&A, Inc.

212.804.8282

www.eMerge-MA.com