

**Orbit International Corp.**  
**Consolidated Statements of Operations**  
 (in thousands, except per share data)

	Three Months Ended December 31, (unaudited)		Year Ended December 31, (unaudited)	
	2020	2019	2020	2019
Net sales	\$ 6,420	\$ 6,480	\$ 25,924	\$ 25,983
Cost of sales	4,653	4,851	18,833	18,643
Gross profit	1,767	1,629	7,091	7,340
Acquisition costs	-	-	-	131
Selling general and administrative expenses	1,559	1,821	6,276	6,728
Interest expense	4	-	11	-
Investment and other (income) expense	44	13	142	(25)
Income (loss) before taxes	160	(205)	662	506
Income tax provision	7	11	21	43
Net income (loss)	<u>\$ 153</u>	<u>\$ (216)</u>	<u>\$ 641</u>	<u>\$ 463</u>
Basic income (loss) per share	\$ 0.04	\$ (0.06)	\$ 0.18	\$ 0.13
Diluted income (loss) per share	\$ 0.04	\$ (0.06)	\$ 0.18	\$ 0.13
Weighted average number of shares outstanding:				
Basic	3,511	3,541	3,514	3,549
Diluted	3,511	3,541	3,514	3,555

**Orbit International Corp.**  
**Consolidated Statements of Operations**  
**(in thousands, except per share data)**

	Three Months Ended December 31, (unaudited)		Year Ended December 31, (unaudited)	
	2020	2019	2020	2019
<u>EBITDA (as adjusted) Reconciliation</u>				
Net income (loss)	\$ 153	\$ (216)	\$ 641	\$ 463
Interest expense	4	-	11	-
Tax expense	7	11	21	43
Depreciation and amortization	21	22	90	87
Fair value adj-contingent liability	51	28	158	28
Stock-based compensation	-	11	-	44
EBITDA (as adjusted) <sup>(1)</sup>	<u>\$ 236</u>	<u>\$ (144)</u>	<u>\$ 921</u>	<u>\$ 665</u>
<u>EBITDA (as adjusted) Per Diluted Share Reconciliation</u>				
Net income (loss)	\$ 0.04	\$ (0.06)	\$ 0.18	\$ 0.13
Interest expense	0.00	0.00	0.00	0.00
Tax expense	0.00	0.00	0.01	0.01
Depreciation and amortization	0.01	0.01	0.03	0.03
Fair value adj-contingent liability	0.02	0.01	0.04	0.01
Stock-based compensation	0.00	0.00	0.00	0.01
EBITDA (as adjusted), per diluted share <sup>(1)</sup>	<u>\$ 0.07</u>	<u>\$ (0.04)</u>	<u>\$ 0.26</u>	<u>\$ 0.19</u>

<sup>1)</sup> The EBITDA (as adjusted) tables presented are not determined in accordance with accounting principles generally accepted in the United States of America. Management uses EBITDA (as adjusted) to evaluate the operating performance of its business. It is also used, at times, by some investors, securities analysts and others to evaluate companies and make informed business decisions. EBITDA (as adjusted) is also a useful indicator of the income generated to service debt. EBITDA (as adjusted) is not a complete measure of an entity's profitability because it does not include costs and expenses for interest, depreciation and amortization, income taxes, fair value adjustment on contingent liability and stock-based compensation. EBITDA (as adjusted) as presented herein may not be comparable to similarly named measures reported by other companies.

	Year Ended December 31, (unaudited)	
	2020	2019
<u>Reconciliation of EBITDA (as adjusted)</u>		
<u>to cash flows provided by (used in) operating activities (1)</u>		
EBITDA (as adjusted)	\$ 921	\$ 665
Interest expense	(11)	-
Income tax expense	(21)	(43)
Fair value adj-contingent liability	(158)	(28)
Net change in operating assets and liabilities	2,162	(1,035)
Cash flows provided by (used in) operating activities	<u>\$ 2,893</u>	<u>\$ (441)</u>

**Orbit International Corp.**  
**Consolidated Balance Sheets**

	<u>December 31, 2020</u> <u>(unaudited)</u>	<u>December 31, 2019</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 7,501,000	\$ 3,569,000
Accounts receivable, less allowance for doubtful accounts	2,751,000	2,851,000
Inventories	9,396,000	10,542,000
Contract assets	403,000	632,000
Income tax receivable	290,000	306,000
Other current assets	301,000	265,000
	<hr/>	<hr/>
Total current assets	20,642,000	18,165,000
Property and equipment, net	351,000	273,000
Right of use assets, operating leases	501,000	923,000
Goodwill	901,000	905,000
Deferred tax asset	545,000	834,000
Other assets	30,000	31,000
	<hr/>	<hr/>
Total assets	<u>\$ 22,970,000</u>	<u>\$ 21,131,000</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 1,779,000	\$ 1,436,000
Accrued expenses	934,000	919,000
Lease liabilities, operating leases	478,000	453,000
Contingent liability	256,000	148,000
Dividend payable	-	36,000
Customer advances	155,000	225,000
	<hr/>	<hr/>
Total current liabilities	3,602,000	3,217,000
Notes payable, PPP loan	1,606,000	-
Contingent liability, net of current portion	318,000	268,000
Lease liabilities, operating leases	53,000	531,000
	<hr/>	<hr/>
Total liabilities	5,579,000	4,016,000
Stockholders' Equity		
Common stock	361,000	361,000
Additional paid-in capital	17,667,000	17,667,000
Treasury stock	(569,000)	(380,000)
Accumulated deficit	(68,000)	(533,000)
	<hr/>	<hr/>
Stockholders' equity	17,391,000	17,115,000
	<hr/>	<hr/>
Total liabilities and stockholders' equity	<u>\$ 22,970,000</u>	<u>\$ 21,131,000</u>