

**REKO INTERNATIONAL  
GROUP INC.**

469 Silver Creek Industrial Drive  
Lakeshore, Ontario  
N8N 4W2

**SUBSIDIARIES/DIVISIONS:**

Canada:

- Concorde Precision Machining Inc.
- Reko Manufacturing Group Inc.

United States:

- Reko International Services Inc.
- Reko International Holdings Inc.
- Concorde USA, LLC

**Reko Reports Improved Sales Volumes**

(Windsor, Ontario – June 9, 2021) - Reko International Group Inc. (TSX-V: REKO) today announced results for its quarter ended April 30, 2021.

**Financial Highlights:**

(in 000 's except for per share amounts)

	Three Months (unaudited)		Nine Months (unaudited)	
	Fiscal 2021	Fiscal 2020	Fiscal 2021	Fiscal 2020
Sales	\$12,413	\$9,985	\$30,239	\$28,873
Net income	801	65	373	261
EPS basic	0.13	0.01	0.06	0.04
Working capital			20,270	18,386
Shareholders' equity			46,594	46,454
Shareholders' Equity per Share			7.74	7.42

Consolidated sales for the third quarter of 2021 were \$12.4 million compared to \$10.0 million in the same period last year, an increase of \$2.4 million, or 24.3%. Sales volumes continue to show improvement, with third quarter sales 13% above the second quarter sales, and 81% higher than those of the first quarter.

Gross profit for the quarter ended April 30, 2021 was \$2.4 million compared to \$0.7 million for the same period in the previous year. Gross profit as a percentage of sales of 19.1% for the three months ended April 30, 2021 is significantly higher than the 6.9% from the same period in the prior year. Last year's lower sales volumes had a large impact on gross margin, and overall profitability.

Gross profit for the nine months ended April 30, 2021 increased \$0.6 million, or 18%, to \$3.8 million, compared to \$3.2 million in the same period in the prior year. For the nine months ended April 30, 2021, gross profit as a percentage of sales improved to 12.5% compared to 11.1% in the previous year. Operational efficiencies continue to be a key contributor to improved margins.

Selling and administrative expenses for the third quarter of fiscal 2021 totaled \$1.1 million compared to \$1.2 million for the same period in fiscal 2020. The decrease in year-to-date costs compared to last year are attributable to the terminations that occurred in the first quarter as a result of restructuring.

Net income for the three months ended April 30, 2021 was \$0.8 million or \$0.13 per share compared to \$0.06 million or \$0.01 per share for the same period in the prior year. For the nine months ended April 30, 2021, net income was \$0.4 million or \$0.06 per share, compared to \$0.3 million or \$0.04 per share in the same period last year.

"This quarter's sales improvement was a strenuous team victory," stated Diane Reko, CEO. "Our opponents were many, including the global pandemic; the border closure with the United States; supply disruptions; and a falling US dollar, to name a few. We believe that there continues to be significant pent-up demand – especially for the innovative and quick solutions that the Reko team can provide to other manufacturers and producers. Our ability to produce at this sales level has resulted in our best quarter in the last nineteen quarters and I am so very proud of our team!"

# **REKO INTERNATIONAL GROUP INC.**

**Third Quarter Report  
And Period Ended  
April 30, 2021**

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[www.rekointl.com](http://www.rekointl.com)

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

### **About Reko International Group Inc.**

*Reko International Group Inc. (TSX-V:REKO) is a diversified, technology-driven manufacturing organization located in Southwestern Ontario, just minutes from the U.S. border. Areas of expertise include robotic factory automation solutions, the precision machining of large critical parts, and plastic injection and low compression acoustic tooling. Reko's family-oriented culture embraces past experience, fosters innovation, and always ensures the highest standard of quality. Reko believes in strengthening communities by advancing manufacturing. For more information, visit, or contact Catia Longo, Chief Financial Officer at (519) 727-3287.*