

April 18, 2022

1st Quarter 2022 Corporate Performance Bonus

To: All Employees

During the first quarter of 2022, our Oilfield division experienced an accelerated inbound order rate and a healthy increase in invoicing from the pace we experienced in the fourth quarter of 2021. Additionally, our Specialty division experienced growth in both orders and invoicing during the first quarter. As a result, we posted the best quarter of business since pre-Covid, and our profitability continues to improve. While supply chain issues remain somewhat challenging for both businesses, we have experienced a vast improvement in the flow of raw materials and packaging compared to the last quarter of 2021.

As a result of Russia's deployment of its military into Ukraine in February, both oil and natural gas prices have continued to escalate. Over the last month, oil has continuously traded over \$100/barrel while natural gas prices are approaching \$8.00 mmBtu, a 14 year high. Industry experts believe that oil and natural gas prices will remain elevated through 2023. Based upon this forecast, we expect our business will continue to grow over that timeframe.

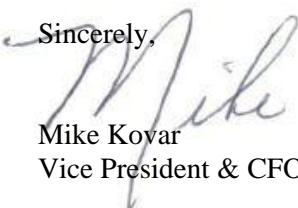
As mentioned in last quarter's letter, we've invested in an automated bottling line for Specialty and should eventually be able to support just about any increases that our customers and sales team can bring us on our liquid products. We expect this equipment to be fully operational in early May. As to our Oilfield operations, we have seen solid improvements in our drum drying operations and continue to review operational efficiencies across all of our processes. Our manufacturing absorption rates were strong during March and contributed nicely to our overall profitability during the first quarter. We have greatly improved our inventory position and are making nice gains against a substantial order backlog we had at the previous year end.

Financially, our balance sheet remains strong with no outstanding bank debt, and our cash levels have us positioned to continue to invest in our businesses over the short and long-term. In February, we closed on the sale of 13 acres of land adjacent to our Specialty operations for approximately \$5 million. We have already reinvested a sizeable chunk of these proceeds into the new Specialty bottling line, with another significant amount already set aside for the new roof over C building that we expect to complete later this summer. We have earmarked the remainder of these funds for operational efficiencies and increased inventory levels that should allow us to support sales growth across both the businesses.

As mentioned earlier, our first quarter profitability was solid, and we are happy to report that we will be issuing our fourth consecutive quarter of bonuses under our CPB Plan. You will find this quarter's payout to be a nice increase from last quarter's bonus level.

Regarding the first quarter bonus, it will be paid to eligible current employees who have not received multiple disciplinary actions during the previous quarter, whether verbal or written, and who were in active employment with the company from April 1, 2021, through March 31, 2022. The bonus, if you are eligible, will be included in the April 22nd payroll run and identified in the details section of the pay stub as "CRP PERF BONUS".

Sincerely,



Mike Kovar
Vice President & CFO