



NOVALINK

THE NEAR SHORE MANUFACTURING SOLUTION

Company Overview

America's Premier Manufacturing Partner
2021

Welcome to NovaLink

A Message From Our **CEO**



NovaLink is committed to helping our clients make their manufacturing projects a reality. Their success is grounded in the success of our company; our goal is for them to be satisfied with the service we provide for their nearshore manufacturing needs. Given our commitment to our customers, we are focused on improvements in all areas of the operations to ensure a long and successful partnership.



JASON WOLFE

PRESIDENT & CEO



Who is NovaLink?

Our Value

Why Companies Trust NovaLink



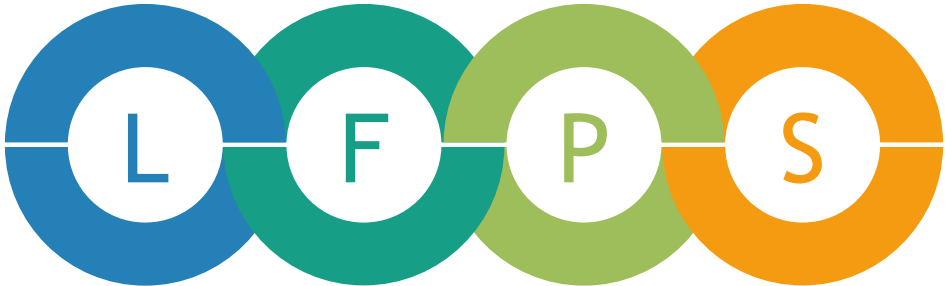
LOW-COST MANUFACTURER

Low-cost labor • Efficiency • Quality • Low turnover • Motivated

PROXIMITY TO MARKET



Short lead times • Minimize inventory • Manufacture and ship in under a week



FLEXIBILITY

All within our facilities • No long-term facility commitment • Expand operations without relocating • Ability to reduce space requirement and related costs in down cycle without significant penalty

SEAMLESS AND EXPEDITED TRANSITION



Turnkey facility procurement and identification • Turnkey hiring and HR management • Free from regulatory issues • Multiple pricing options and business models

About NovaLink

Everything About America's Nearshore Manufacturing Partner

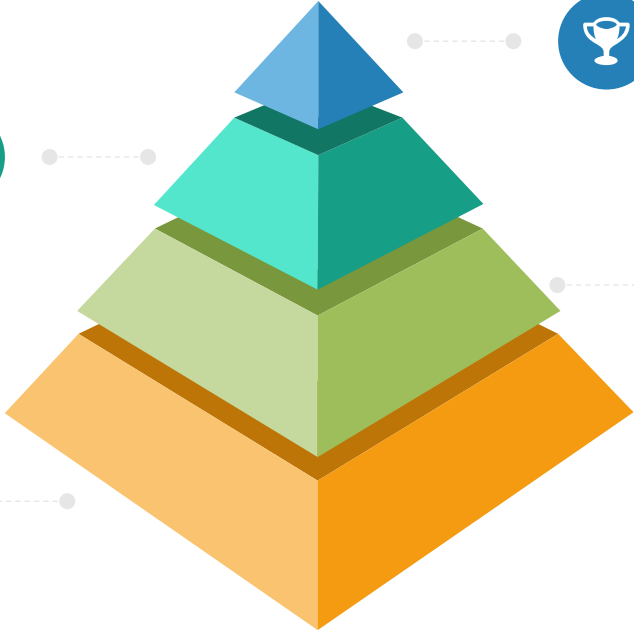
Who We Are

A world class nearshore manufacturing solution for companies interested in outsourcing their manufacturing needs.



What We Do

Reducing manufacturing related expenses. Provide manufacturing expertise in a wide variety of products spanning multiple industries including water meters, electrical harnesses, active wear, fire extinguishers, aircraft seating and many others.



How We Operate

Providing a complete range of services in a low-cost labor environment with the support of strong management, integrated systems, and world-class facilities.



Where We Are

Facilities are located along the U.S.-Mexico border, which enables us to be cost-effective and increase speed to market.



The Founding of NovaLink

An Innovative New **Concept**

1980, Bill Wolfe and René González developed the NovaLink concept

In 1980, Bill Wolfe and René González developed the NovaLink concept –providing vertical integration for manufacturers and facilitating the relocation of their operations into Mexico.

Over the last 30 years, NovaLink has expanded their operations to more than 400,000 square feet for manufacturing and distributing out of Matamoros, and created a world class, diverse client database. In April of 2015 NovaLink partnered with Argenta Partners, a long-term equity investor with an active role toward achieving growth and development. Argenta made a large investment in NovaLink to formalize the partnership and provide capital for growth.

In 1988 NovaLink was born.

Using their combined experiences with companies such as General Motors and FINSA Industrial Parks, Bill and René were able to assist and facilitate the partial and total relocations for several Fortune 500 companies including three divisions of General Motors, Magnetek, Mitsubishi, and Trico.



NovaLink History: A Timeline

1988-89



First project launched – building airport shuttle vans. Begin building car alarms.

Inaugurates first Mexican operation for Fruit of the Loom. Begins proprietary trucking services.



1992-94

2000-02



Receives first ISO and FDA certification
Begins full distribution services for clients' finished products.
Receives first UL certification. Lands first automotive contract.

Starts first aviation project.
Begins first full package program.



2006-09

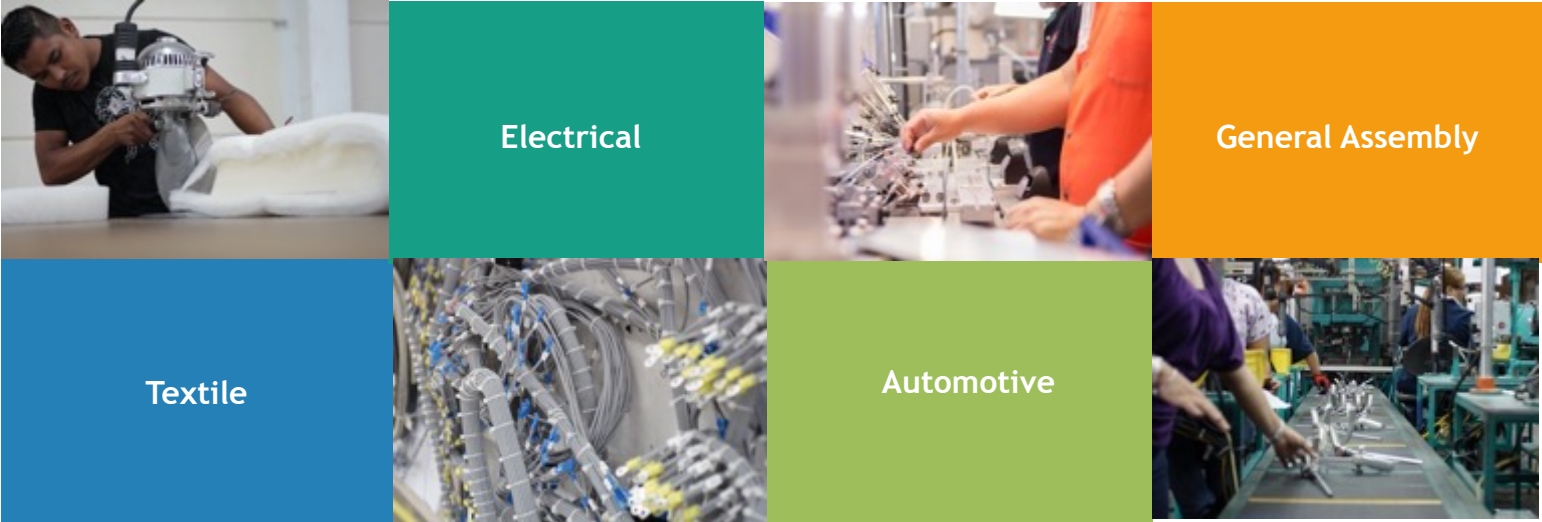
2010 - 21



Moves into new facilities.
Celebrates 30 years in business.

Manufacturing Capabilities

NovaLink is competitive with global sourcing channels across a wide variety of industries and products. NovaLink achieves excellence through focused manufacturing principles whether the product requirements are high tolerance or more commoditized.



NovaLink Locations

NovaLink has two manufacturing facilities in Mexico and one warehousing and distribution center in the United States, all located within a 20-mile radius.

The facilities are in the following towns:

Brownsville, Texas

Matamoros, Tamaulipas, Mexico

Our facilities offer ample space for manufacturing and distribution:

400,000 square feet of manufacturing space.

60,000 square foot distribution center.

NovaLink has a workforce of approximately 2,000 employees working in our facilities.



NovaLink Services

NovaLink has a host of nearshore manufacturing services that makes Manufacturing in Mexico an easy and seamless solution.



NovaLink's infrastructure and management team provides flexibility for client engagement as a full-service manufacturing partner while also offering selective services for those companies looking for a less full-service approach.

- 1 Manufacturing & Assembly
- 2 Customs and Logistics
- 3 Supply Chain Management
- 4 Site Selection
- 5 Human Resources
- 6 Raw Materials Procurement
- 7 Accounting & Information Systems

Argenta Partnership

Partners Since 2015



Argenta Partners, a long-term equity investor based out of Dallas, TX, was first introduced to NovaLink in late 2012. The partnership was formalized in early 2015 with an equity investment to provide capital for future growth and development. Argenta plays an active role as a provider of capital, and with experience across many industries, in developing financial reporting and information systems.

The background is a collage of industrial manufacturing scenes. It features several vertical panels with different color tints: blue, teal, green, yellow, orange, and red. The scenes show workers in various settings, including assembly lines, machinery, and workers handling components. A large white circle is overlaid on the right side of the collage, containing the text 'Why NovaLink?' in a bold, dark blue font.

Why NovaLink?

NovaLink Approach

Proficient in all aspects of the relocation process in conjunction with our clients

- **NovaLink will execute the process with your input (“hand-holding” approach)**
 - **Customs regulation analysis and filing**
 - **Manufacturing layout**
 - **HR functions of selecting employee candidates**
 - **Equipment installation**
 - **Back-office processes for Mexican operation**
 - **Training of employees with Clients’ support**
 - **Import and Export processes**
 - **Maintenance of all Mexican regulatory compliances**
 - **When requested, distribution of Clients’ finished products**



Partnership

Trustworthy and transparent relationship.
Complete offering of services.
Versatility within various industries.
Manufacturing focused



Quality

Experienced and dedicated labor pool with turnover rates that are well below the industry average.
A team that is eager to learn the intricacies of our client’s business with the goal of improved quality and efficiency.
Systems and processes implemented to match or improve upon customer specifications.



Scalability

We are agile and customizable based on client needs.
We can start small and grow to meet your company’s demand.



Efficiency

Speed to market.
Cost effectiveness.
Ability to direct ship to customer, bypassing additional distribution costs.

World-Class Facilities

NovaLink operates two 200,000 square foot Manufacturing Facilities in Mexico in the city of Matamoros, and a 60,000 square foot distribution facility in Brownsville, Texas.



Bright, climate-controlled interior.
Safe and efficient layout.



Monitored and gated campus.
Ample and clean employee service areas.



Full-service cafeteria
Fully staffed medical team.



NovaLink Clients

NovaLink is committed to the philosophy that transitioning manufacturing to Mexico should be an easy, rapid and cost-effective process. We offer advantages that enable our customers to succeed.



TOYOTA



MAGNETEK

Eddie Bauer



FRUIT OF THE LOOM

L.L.Bean



LANDS' END



Milliken

Titleist





**Why Your
Company Should
Be
Manufacturing in
Mexico**

The Mexico Advantage

The cost advantage of manufacturing in Mexico over other geographic locations provides a compelling case for examining manufacturing opportunities with a partner like NovaLink.

Mexico has regained its status as a leading low-cost manufacturing base

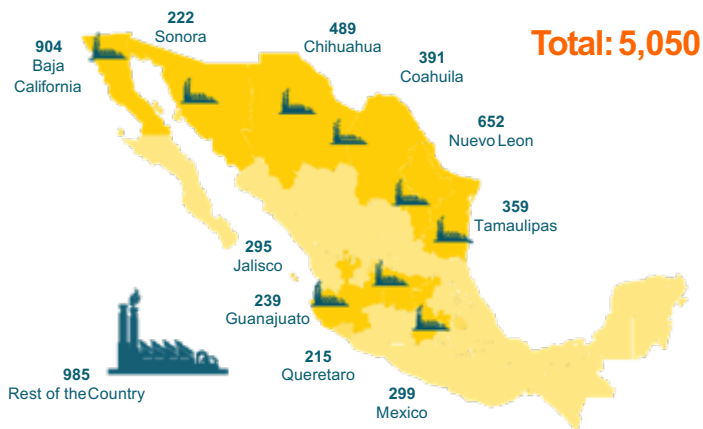
- Following the signing of the North American Free Trade Agreement in 1994, **Mexico saw a surge in manufacturing investments** and, after a significant share of factory work went to China when they entered the World Trade Organization in 2001, **the pendulum is now swinging back in Mexico's favor.**
- The cost of labor adjusted for productivity is the biggest factor in the change – since 2004, **Chinese wages have nearly quintupled, while Mexican wages have risen by only 67%** (less than 50% in terms of the US dollar).

A new perspective on manufacturing in the Americas

- **Manufacturing in the Americas has increasingly become an area of investment** for private equity groups looking for strong “on-shoring” opportunities in the U.S. The new USMCA treaty makes opportunities like this even more plentiful.
- The “one-time” expenses associated with poor quality in Asia are increasingly viewed as **one of the costs of manufacturing across the Pacific.**
- **Proximity provides advantages** in both quality control and just-in-time production needs.

Maquiladora Overview

There are approximately 5,050 maquiladoras in Mexico, of which almost 3,000 can be found along the U.S.-Mexico border. Most of the market operates under the traditional maquiladora model: dedicated, single-purpose manufacturing for a foreign entity.



What are the benefits to using The Maquiladora?

The benefits to a U.S.-based business relate primarily to the cost, quality and availability of labor, and the proximity to market. Other benefits of operating through a Maquiladora include: Unlimited duty-free imports, Unlimited foreign capital investment, Limitless options for type or amount of product that can be manufactured, Reduced manufacturing costs, High-quality product, Reduced transport time and cost (specifically in comparison to manufacturing in eastern countries)



What Benefit Does The Maquiladora Provide for U.S. Manufacturing?

The Maquiladora industry is currently benefiting from a revival of manufacturing in the Americas. Whereas China benefitted tremendously when the country entered the World Trade Organization in 2001, today the pendulum is swinging back. China’s GDP climbed from approximately \$2 trillion in 2005 to just under \$11 trillion in 2015 and as the country grew wages nearly quintupled over the same time horizon, making China less competitive today. Trade agreements between the U.S. and Mexico, and Mexico’s reliance on maquiladoras have led to stable and consistent costs of labor, which are major benefitting factors for companies looking to outsource some or all of their manufacturing needs.

We Are a Full-Service Manufacturer

“You bring us your materials and we make it” doesn’t begin to describe the business relationship offered by NovaLink.

We understand not all clients are the same; each company brings unique products and challenges that need to be addressed. With this in mind, we have made our manufacturing model flexible: we are willing to explore any variety of options to ensure your success. Whatever the issue: sourcing, equipment, invoicing, support and logistics, even warehousing your finished product, NovaLink is agile enough to make the changes to our business approach to ensure our partnership – and your business – are successful.

Case Study: Powell Industries



In 2009, Powell’s business was growing substantially, and they recognized an opportunity to shift some of their floor space from component assembly to the manufacturing of their end products. This project led them to explore a variety of other options for alternate manufacturing space. NovaLink leveraged their flexible, scalable business model to create an arrangement that not only catered to Powell’s desire for a trial period with NovaLink, but also allowed for future growth of the partnership. Although NovaLink’s operation with Powell started small, it has grown substantially as a result of NovaLink’s expertise and dedication to quality and cost efficiencies. NovaLink now provides a variety of subassemblies for Powell’s facilities.

The background features a vertical gradient of colors: dark blue on the left, teal, green, yellow, orange, red, and dark purple on the right. Overlaid on this are semi-transparent anatomical images of a hand and an ear. A large white circle is centered on the right side, containing the text 'Meet The Team' in a bold, dark blue font.

Meet The Team

NovaLink Leadership



JASON WOLFE, PRESIDENT/CEO

Jason Wolfe is the president and CEO for NovaLink. Growing up in the NovaLink business, and he joined the team in 1989 as a production assistant. Beginning in 1995, Wolfe served as the general manager of business development and was primarily responsible for new client acquisition and relations. Wolfe's expertise in management, business development and passion for the maquiladora industry have made him an invaluable part of NovaLink. In April 2015, after working through various positions in the company, Wolfe transitioned into the role of president and CEO. Wolfe has served on the Brownsville Economic Development council for four years, including two years as a chairman. He received his degree in business management from The University of Texas in 1989.



BRAD WOLFE, SENIOR VP OF ADMINISTRATIVE OPERATIONS

Brad Wolfe is the Senior Vice President of Administrative Operations for NovaLink and has served the company since its inception in 1988. Wolfe's expertise lies in his ability to coordinate and manage the many service and business departments of NovaLink to provide our partners with a seamless and efficient manufacturing experience in Mexico. Wolfe grew up with the company, previously serving as its General Manager of Operations, and has been relocating manufacturing operations to Mexico for thirty years. He received his degree in economics with a focus on engineering/management from The University of Texas at Austin.

NovaLink Leadership



LUIS MUZQUIZ, SENIOR VP OF MANUFACTURING OPERATIONS

Luis Muzquiz is the Senior Vice President of Manufacturing Operations for NovaLink and has served the company since 1997. Luis' responsibilities include the oversight of all manufacturing operations to ensure that our partners receive a manufacturing experience that they expect with quality, efficiencies and first class service. Muzquiz has built relationships and gained industrial experience related to operations in Mexico for the past 45 30 years. Prior to NovaLink, Muzquiz was self employed running a regional fertilizer business, importing and distributing fertilizer throughout eastern Mexico. His experience and knowledge in Mexico makes him a pivotal member of the NovaLink team. He received his degree in economics from The University of Texas.



ENRIQUE REYNOSO CPA, CIA, CFO

Enrique Reynoso is the CFO for NovaLink and has been with the company since 2015. Prior to NovaLink, Enrique served as the CFO for Woodcrafters Home Products, LLC for six years and was responsible for overseeing U.S. and Mexico financial and control functions. Additionally, Enrique previously served as the corporate controller for Frito-Lay Mexico Savory Snacks Region and the supply chain finance director for Frito-Lay Mexico Savory Snacks, both under the PepsiCo Latin America umbrella. His experience and knowledge in financial planning, manufacturing and distribution cost and expense control, and internal and external audit make Enrique a valuable member of the NovaLink team. He received his degree in business administration and accounting from The University of Texas. Reynoso is a certified public accountant (CPA) and a certified internal auditor (CIA).

NovaLink Leadership



JASON VARVEL, VP OF BUSINESS DEVELOPMENT

Jason Varvel is Vice President of Business Development for NovaLink. Jason is responsible for introducing nearshore manufacturing in Mexico as a potential solution to any supply chain issues one may be experiencing. He will evaluate whether or not a mutually beneficial relationship can be formed between potential partners and NovaLink. Prior to NovaLink, Jason spent almost 12 years as a Senior Manager of Business Development for a leading middle-market M&A firm. He was responsible for a team of advisors counseling small business owners on exit strategy planning and liquidity options. Jason understands the challenges one can face growing a business and how critical it is to form good partnerships along the way.



CHARLES SHEPHERD, VP OF BUSINESS DEVELOPMENT

Charles Shepherd is the VP of Business Development at NovaLink. His primary focus is to initiate, cultivate and develop existing and new business for the NovaLink brand. Charles previously served in the capacity of Corporate trainer for a leading privately held Mergers & Acquisitions firm based in Dallas, Texas responsible for interviewing, hiring, training and on-boarding of all new senior business advisors for Dallas, Austin and Ft. Lauderdale sales offices. Prior to becoming the corporate trainer, Charles held the position of Sr. Manager of Business Development for 10+ years, managing a team of Business Development associates, of whom were tasked with the responsibility of contacting business owners of small/mid-sized privately held companies for informing business owners on their liquidity options and opportunities as it directly related to the constant changes within the market, taxation and the importance of proper positioning.

NovaLink Leadership



MICHAEL DILLON, VP MARKETING AND BUSINESS DEVELOPMENT

Michael Dillon is the Vice President of Marketing and Business Development for NovaLink. This position develops and executes marketing and business campaigns for the NovaLink brand. Prior to NovaLink, Michael was a digital lead at notable agencies J. Walter Thompson and the Halo Group, and created marketing campaigns for companies and organizations including HP, AT&T, Torchmark Insurance, Suddenlink Business and The United States Marine Corps.

Customer Testimonials

Franklin Products



We have been pleased with our production transfer to Mexico and to Novalink. The workforce has proven itself to be dedicated and productive. The work environment is disciplined and procedure oriented. And we truly appreciate the flexibility that the extensive Nova Link logistics, engineering and human resource departments afford our company. Whether adding capacity or changing a production process, we can accomplish the transition quickly when we draw on the Novalink team.



BRUCE SWOMLEY

Director of Strategic Planning

Customer Testimonials

Powell Industries



Our partnership with NovaLink has grown steadily over the past seven years. The partnership has provided us with an increase in revenue producing floor space within our plants without the difficulties of managing a maquiladora. The Nova/Link management Team is customer focused, well managed, and professional. Their facilities are excellent and Nova/Link employees are well trained and productive. Communications have not been an issue from day one. Their inventory management processes are robust, and their customs expertise is excellent. Their operations have always been open and transparent.



Fred Mudge
VP, Operations

Customer Testimonials



Patagonia

Patagonia has worked closely with Nova Link over the past 10 years to develop a reliable, smooth running, and long-term partnership. Over the past 5 years, we initiated several changes within our supply chain that included moving away from cut-make-trim purchasing to full package sourcing, evolving our ERP system to Microsoft A/X, and introducing the Trade card payment platform. All these changes represented unique challenges to our suppliers, but NovaLink consistently responded with high degree professionalism, helping Patagonia reach new heights in delivering quality product, consistently on-time.



Further, in 2012, Novalink took the extra step of joining the Fair Labor Association – a move clearly demonstrating that apparel can be built using a responsibly managed supply chain. With Novalink’s support, Patagonia has doubled its sales over a 5-year period, reduced its defect rate by 85%, and in the process has shown how apparel can be produced in an environmentally and socially responsible way.”



Doug Freeman

Chief Operating Officer



NovaLink Nearshore Manufacturing

3301 Nafta Parkway, Suite A
Brownsville, TX - 78526
www.novalinkmx.com



(956) 621-7362



contact@novalinkmx.com



<https://www.linkedin.com/company/novalink>



HANK



OU!