

To whom it may concern,

TECNOS Industries is an international company with more than 55 years of experience, providing rimfire, centerfire and shotshell ammunition cartridges for the markets of Mexico, USA, LATAM and Europe.

As part of our process of **Transformation towards Operational Excellence** we have developed with **London Consulting Group** several projects for

- Synchronize **our productive capacities** with our accelerated **sales growth in all our markets**.
- **Improve our Supply Chain Integration** end to end (TxAT USA - Tecnos Mexico - Tecnos LATAM).
- Develop in our collaborators a new **culture of continuous transformation** towards operational excellence.

London Consulting Group's methodology has been a key factor to achieve significant increase in operating profit as a result of improvements in the following areas:

UPDATE DESIGN AND LAUNCH OF NEW PRODUCTS

- Pilot implementation of **Agile Methodology (LeSS)** in the development of a new product (Primers) for sale.
- Follow-up and development of the product through tools such as **MONDAY** and **MIRO** using **SCRUM methodology**.

KNOWLEDGE MANAGEMENT

- Operating manuals were designed using the **TWI (Training Within Industry) methodology**, a method for evaluating and monitoring for the new labor.
- A **digital repository** was created for storing and accessing operating video-manuals.
- The **operational training period** for new labor was reduced from **5 to 2 weeks**.
- A pilot test was carried out for the **implementation of the first Tablet** throughout the factory (over 300 machines) for recording and consulting information.

AGUILA BUSINESS SYSTEM MODEL DESIGN

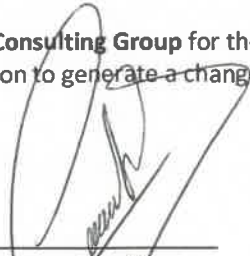
- Design of **strategic KPIs** to measure **Production Affectations and Rates** vs. Plan and Budget.
- Design and implementation of **OEE for all machines** in the factory (over 300 machines).
- Implementation of the **Operational Road Map** to increase productivity through the following impact axes:
 - Reclassification and Implementation of Downtime Causes.
 - Change Management in Set-Ups Kits.
 - Non-stop the Bottlenecks at the meal hours
 - Updating Capacities for each machine

LAYOUT DESIGN AND EXPANSION REQUIREMENTS (CAPEX)

- **Time and motion** analysis to identify time losses and low **value-added tasks**.
- **Layout redesign** (machines, location and personnel) and CAPEX definition for additional **production increase capacity and a reduction in labor head count**.

The economic benefits obtained during the different projects represent to date a **return on investment of 8 to 1**.

Based on the above, we can highly **recommend London Consulting Group** for their focus on results, the adequate management of change and the involvement in all levels of the organization to generate a change culture in the staff.



Jorge Peacock
General Director