

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended **March 31, 2021**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Transition Period From _____ to _____

Commission File Number **001-36378**

PROFIRE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

321 South 1250 West, Suite 1

Lindon, Utah

(Address of principal executive offices)

20-0019425

(I.R.S. Employer Identification No.)

84042

(Zip Code)

(801) 796-5127

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated Filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.) Yes No

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Common, \$0.001 Par Value

Trading Symbol(s)

PFIE

Name of each exchange on which registered

NASDAQ

As of May 3, 2021, the registrant had 51,434,074 shares of common stock issued and 48,021,696 shares of common stock outstanding, par value \$0.001.

PROFIRE ENERGY, INC.
FORM 10-Q
TABLE OF CONTENTS

	<u>Page</u>
PART I — FINANCIAL INFORMATION	
Item 1. Financial Statements	
Condensed Consolidated Balance Sheets	4
Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)	5
Condensed Consolidated Statements of Stockholders' Equity (Unaudited)	6
Condensed Consolidated Statements of Cash Flows (Unaudited)	7
Notes to the Condensed Consolidated Financial Statements (Unaudited)	8
Item 2. Management's Discussion and Analysis of Financial Condition And Results of Operations	14
Item 3. Quantitative and Qualitative Disclosure about Market Risk	17
Item 4. Controls and Procedures	17
PART II — OTHER INFORMATION	
Item 1. Legal Proceedings	18
Item 1A. Risk Factors	18
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	18
Item 3. Defaults Upon Senior Securities	18
Item 4. Mine Safety Disclosures	18
Item 5. Other Information	18
Item 6. Exhibits	20
Signatures	21

PART I. FINANCIAL INFORMATION
Item 1 Financial Information

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets

	As of	
	March 31, 2021	December 31, 2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 10,475,429	\$ 9,148,312
Short-term investments	2,293,992	2,388,601
Accounts receivable, net	2,772,162	3,719,508
Inventories, net (note 3)	8,104,532	8,414,772
Prepaid expenses and other current assets (note 4)	823,901	1,678,428
Income tax receivable	580,751	486,154
Total Current Assets	<u>25,050,767</u>	<u>25,835,775</u>
LONG-TERM ASSETS		
Long-term investments	6,589,247	6,064,294
Financing right-of-use asset	38,969	50,094
Property and equipment, net	11,926,464	12,021,811
Intangible assets, net	1,716,187	1,771,870
Goodwill	2,579,381	2,579,381
Total Long-Term Assets	<u>22,850,248</u>	<u>22,487,450</u>
TOTAL ASSETS	<u>\$ 47,901,015</u>	<u>\$ 48,323,225</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 975,755	\$ 1,178,979
Accrued liabilities (note 5)	1,361,404	1,196,870
Current financing lease liability (note 6)	36,408	39,451
Total Current Liabilities	<u>2,373,567</u>	<u>2,415,300</u>
LONG-TERM LIABILITIES		
Net deferred income tax liability	522,163	522,870
Long-term financing lease liability (note 6)	4,353	12,669
TOTAL LIABILITIES	<u>2,900,083</u>	<u>2,950,839</u>
STOCKHOLDERS' EQUITY (note 7)		
Preferred stock: \$0.001 par value, 10,000,000 shares authorized: no shares issued or outstanding	—	—
Common stock: \$0.001 par value, 100,000,000 shares authorized: 51,434,074 issued and 48,021,696 outstanding at March 31, 2021, and 51,384,961 issued and 47,972,583 outstanding at December 31, 2020	51,434	51,385
Treasury stock, at cost	(5,353,019)	(5,353,019)
Additional paid-in capital	30,391,837	30,293,472
Accumulated other comprehensive loss	(2,017,292)	(2,148,924)
Retained earnings	21,927,972	22,529,472
TOTAL STOCKHOLDERS' EQUITY	<u>45,000,932</u>	<u>45,372,386</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 47,901,015</u>	<u>\$ 48,323,225</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations and Comprehensive Loss
(Unaudited)

	For the Three Months Ended March 31,	
	2021	2020
REVENUES (note 8)		
Sales of goods, net	\$ 4,657,535	\$ 6,860,958
Sales of services, net	434,814	586,184
Total Revenues	<u>5,092,349</u>	<u>7,447,142</u>
COST OF SALES		
Cost of goods sold-product	2,537,634	3,833,682
Cost of goods sold-services	380,028	448,784
Total Cost of Goods Sold	<u>2,917,662</u>	<u>4,282,466</u>
GROSS PROFIT	2,174,687	3,164,676
OPERATING EXPENSES		
General and administrative expenses	2,554,536	3,272,538
Research and development	256,891	409,726
Depreciation and amortization expense	167,485	147,472
Total Operating Expenses	<u>2,978,912</u>	<u>3,829,736</u>
LOSS FROM OPERATIONS	(804,225)	(665,060)
OTHER INCOME (EXPENSE)		
Gain on sale of fixed assets	73,901	—
Other income (expense)	(97)	347
Interest income	21,062	74,393
Total Other Income	<u>94,866</u>	<u>74,740</u>
LOSS BEFORE INCOME TAXES	(709,359)	(590,320)
INCOME TAX BENEFIT	107,859	225,056
NET LOSS	<u>\$ (601,500)</u>	<u>\$ (365,264)</u>
OTHER COMPREHENSIVE INCOME (LOSS)		
Foreign currency translation gain (loss)	\$ 139,606	\$ (945,423)
Unrealized losses on investments	(7,974)	(157,354)
Total Other Comprehensive Income (Loss)	<u>131,632</u>	<u>(1,102,777)</u>
COMPREHENSIVE LOSS	<u>\$ (469,868)</u>	<u>\$ (1,468,041)</u>
BASIC LOSS PER SHARE (note 9)	\$ (0.01)	\$ (0.01)
FULLY DILUTED LOSS PER SHARE (note 9)	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
BASIC WEIGHTED AVG NUMBER OF SHARES OUTSTANDING	47,990,101	47,492,441
FULLY DILUTED WEIGHTED AVG NUMBER OF SHARES OUTSTANDING	<u>47,990,101</u>	<u>47,492,441</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Retained Earnings	Total Stockholders' Equity
	Shares	Amount					
Balance, December 31, 2020	47,972,583	\$ 51,385	\$ 30,293,472	\$ (2,148,924)	\$ (5,353,019)	\$ 22,529,472	\$ 45,372,386
Stock based compensation	—	—	125,043	—	—	—	125,043
Stock issued in settlement of RSUs	49,113	49	(49)	—	—	—	—
Tax withholdings paid related to stock based compensation	—	—	(26,629)	—	—	—	(26,629)
Foreign currency translation	—	—	—	139,606	—	—	139,606
Unrealized losses on investments	—	—	—	(7,974)	—	—	(7,974)
Net loss	—	—	—	—	—	(601,500)	(601,500)
Balance, March 31, 2021	48,021,696	\$ 51,434	\$ 30,391,837	\$ (2,017,292)	\$ (5,353,019)	\$ 21,927,972	\$ 45,000,932

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Retained Earnings	Total Stockholders' Equity
	Shares	Amount					
Balance, December 31, 2019	47,411,977	\$ 50,824	\$ 29,584,172	\$ (2,415,460)	\$ (5,353,019)	\$ 24,705,069	\$ 46,571,586
Stock based compensation	—	—	66,348	—	—	—	66,348
Stock issued in exercise of stock options	2,000	2	2,018	—	—	—	2,020
Stock issued in settlement of RSUs and accrued bonuses	271,684	272	419,101	—	—	—	419,373
Tax withholdings paid related to stock based compensation	—	—	(148,879)	—	—	—	(148,879)
Foreign currency translation	—	—	—	(945,423)	—	—	(945,423)
Unrealized losses on investments	—	—	—	(157,354)	—	—	(157,354)
Net loss	—	—	—	—	—	(365,264)	(365,264)
Balance, March 31, 2020	47,685,661	\$ 51,098	\$ 29,922,760	\$ (3,518,237)	\$ (5,353,019)	\$ 24,339,805	\$ 45,442,407

The accompanying notes are an integral part of these condensed consolidated financial statements.

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	For the Three Months Ended March 31,	
	2021	2020
OPERATING ACTIVITIES		
Net loss	\$ (601,500)	\$ (365,264)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization expense	293,615	259,801
(Gain) Loss on sale of fixed assets	(73,901)	—
Bad debt expense	(3,084)	133,803
Stock awards issued for services	125,043	66,348
Changes in operating assets and liabilities:		
Accounts receivable	974,602	1,314,939
Income taxes receivable/payable	(94,597)	107,561
Inventories	342,980	537,668
Prepaid expenses and other current assets	906,459	168,546
Deferred tax asset/liability	(707)	(114,564)
Accounts payable and accrued liabilities	(48,245)	(1,837,760)
Net Cash Provided by Operating Activities	<u>1,820,665</u>	<u>271,078</u>
INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	27,784	—
Sale (purchase) of investments	(438,830)	387,326
Purchase of property and equipment	(57,825)	(525,384)
Net Cash Used in Investing Activities	<u>(468,871)</u>	<u>(138,058)</u>
FINANCING ACTIVITIES		
Value of equity awards surrendered by employees for tax liability	(26,629)	(148,879)
Cash received in exercise of stock options	—	2,020
Principal paid towards lease liability	(11,227)	(19,089)
Net Cash Used in Financing Activities	<u>(37,856)</u>	<u>(165,948)</u>
Effect of exchange rate changes on cash	13,179	(95,598)
NET CHANGE IN CASH	<u>1,327,117</u>	<u>(128,526)</u>
CASH AT BEGINNING OF PERIOD	<u>9,148,312</u>	<u>7,358,856</u>
CASH AT END OF PERIOD	<u>\$ 10,475,429</u>	<u>\$ 7,230,330</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest	\$ 1,936	\$ 872
Income taxes	\$ —	\$ —
NON-CASH FINANCING AND INVESTING ACTIVITIES		
Common stock issued in settlement of accrued bonuses	\$ —	\$ 419,373

The accompanying notes are an integral part of these condensed consolidated financial statements.

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements (Unaudited)
For the three months ended March 31, 2021 and 2020

NOTE 1 - CONDENSED FINANCIAL STATEMENTS

Except where the context otherwise requires, all references herein to the "Company," "Profire," "we," "us," "our," or similar words and phrases are to Profire Energy, Inc. and its wholly owned subsidiaries, taken together.

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, stockholders' equity, and cash flows at March 31, 2021 and for all periods presented herein have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the Company's audited financial statements contained in its annual report on Form 10-K for the year ended December 31, 2020 ("Form 10-K"). The results of operations for the three month periods ended March 31, 2021 and 2020 are not necessarily indicative of the operating results for the full years.

NOTE 2 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Line of Business

This Organization and Summary of Significant Accounting Policies of the Company is presented to assist in understanding the Company's condensed consolidated financial statements. The Company's accounting policies conform to "US GAAP."

The Company provides burner-management products, solutions and services for the oil and gas industry primarily in the US and Canadian markets.

Significant Accounting Policies

There have been no changes to the significant accounting policies of the Company from the information provided in Note 1 of the notes to the consolidated financial statements in the Company's most recent Form 10-K.

Recent Accounting Pronouncements

The Company has evaluated all recent accounting pronouncements and determined that the adoption of pronouncements applicable to the Company has not had or is not expected to have a material impact on the Company's financial position, results of operations or cash flows.

NOTE 3 – INVENTORIES

Inventories consisted of the following at each balance sheet date:

	As of	
	March 31, 2021	December 31, 2020
Raw materials	\$ 362,324	\$ 328,772
Finished goods	8,854,546	9,229,298
Work in process	—	—
Subtotal	9,216,870	9,558,070
Reserve for obsolescence	(1,112,338)	(1,143,298)
Total	<u>\$ 8,104,532</u>	<u>\$ 8,414,772</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
For the three months ended March 31, 2021 and 2020

NOTE 4 – PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consisted of the following at each balance sheet date:

	As of	
	March 31, 2021	December 31, 2020
Assets classified as held for sale	\$ —	\$ 623,805
Prepaid inventory	449,358	542,313
Prepaid insurance	148,396	217,465
Interest receivables	66,097	65,984
Vehicle trade-in credits	6,896	55,733
Other	153,154	173,128
Total	\$ 823,901	\$ 1,678,428

In the table above, the assets classified as "held for sale" consisted of an office building located in Spruce Grove, Alberta, Canada. During the three months ended March 31, 2021, we sold the remaining three bays that were part of the office building, which resulted in a gain of \$2,378 CAD that was recorded during the period.

NOTE 5 – ACCRUED LIABILITIES

Accrued liabilities consisted of the following at each balance sheet date:

	As of	
	March 31, 2021	December 31, 2020
Employee-related payables	\$ 1,007,405	\$ 789,573
Inventory-related payables	160,972	158,519
Warranty liabilities	43,352	71,852
Other	149,675	176,926
Total	\$ 1,361,404	\$ 1,196,870

NOTE 6 – LEASES

We have leases for office equipment and office space. The leases for office equipment are classified as financing leases and the typical term is 36 months. We have the option to extend most office equipment leases, but we do not intend to do so. Accordingly, no extensions have been recognized in the right-of-use asset or lease liability. The office equipment lease payments are not variable and the lease agreements do not include any non-lease components, residual value guarantees, or restrictions. There are no interest rates implicit in the office equipment lease agreements, so we have used our incremental borrowing rate to determine the discount rate to be applied to our financing leases for purposes of determining our lease liabilities. The weighted average discount rate applied to our financing leases is 4.50% and the weighted average remaining lease term is 12.8 months.

The following table shows the components of financing lease cost:

Financing Lease Cost	For the Three Months Ended March 31,	
	2021	2020
Amortization of right-of-use assets	\$ 10,992	\$ 18,376
Interest on lease liabilities	1,936	872
Total financing lease cost	\$ 12,928	\$ 19,248

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
For the three months ended March 31, 2021 and 2020

The following table reconciles future minimum lease payments to the discounted finance lease liability:

Years ending December 31,	Amount
2021 - remaining	\$ 29,019
2022	12,803
2023	—
2024	—
2025	—
Thereafter	—
Total future minimum lease payments	\$ 41,822
Less: Amount representing interest	1,061
Present value of future payments	\$ 40,761
Current portion	\$ 36,408
Long-term portion	\$ 4,353

Because our office space leases are substantially all considered to be short-term, we have elected not to recognize them on our balance sheet under the short-term recognition exemption. During the three months ended March 31, 2021 and March 31, 2020, we recognized \$16,262 and \$19,472, respectively, in short-term lease costs associated with office space leases.

NOTE 7 – STOCKHOLDERS' EQUITY

As of March 31, 2021 and December 31, 2020, the Company held 3,412,378 shares of its common stock in treasury at a total cost of \$3,353,019, respectively.

As of March 31, 2021, the Company had 222,472 restricted stock units, 182,278 performance based restricted stock units, and 934,700 stock options outstanding with \$428,931 in remaining compensation expense to be recognized over the next 2.0 years.

2020 EIP and LTIP

Due to economic uncertainties including those caused by the COVID-19 pandemic, the Board of Directors of the Company, with the support of the Company's executives, elected not to adopt an executive incentive plan ("2020 EIP") or long-term incentive plan ("2020 LTIP") for 2020. The Board and executives believed this was an appropriate short-term measure that helped align the Company's cost structure with the extraordinary conditions affecting the industry in which we operate.

2021 RSUs

On February 18, 2021, the Board of Directors, upon the recommendation of the Compensation Committee of the Board (the "Compensation Committee"), approved a restricted stock award of 18,852 shares of common stock to each of Cameron M. Tidball and Ryan W. Oviatt. Messrs. Tidball and Oviatt entered into Restricted Stock Award Agreements, the forms of which were approved pursuant to the Company's 2014 Equity Incentive Plan. These restricted stock awards, which vested immediately, were settled by the issuance of a total of 27,334 shares of common stock, net of tax withholding and resulted in \$45,999 of compensation expense.

2020 RSUs

On June 17, 2020, pursuant to the annual renewal of director compensation, the Board approved a grant of 270,966 RSUs to the independent directors of the Board. Half of the RSUs vested immediately on the date of grant and the remaining 50% of the RSUs will vest on the first anniversary of the grant date or at the Company's next annual meeting of stockholders, whichever is earlier. The awards will result in total compensation expense of \$252,000 to be recognized over the vesting period.

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
For the three months ended March 31, 2021 and 2020

Mr. Arlen B. Crouch resigned from his position as a member of the Board, effective August 3, 2020. Mr. Crouch's resignation did not result from any disagreements with management or the Board. On the effective date of Mr. Crouch's resignation, all of his unvested RSUs were forfeited. The related compensation expense associated with Mr. Crouch's unvested RSUs will be recaptured. On July 30, 2020, the Board appointed Colleen Larkin Bell to serve as a director to fill the vacancy resulting from Mr. Crouch's resignation, effective August 3, 2020. Ms. Bell was also appointed as Chair of the Nominating Committee and as a member of the Audit and Compensation Committees. As part of her compensation for her service as a director and committee member, on August 21, 2020, the board approved a grant of 92,934 RSUs. Half of the RSUs vested immediately on the date of the grant and the remaining 50% of the RSUs will vest on the first anniversary of the grant date. The awards will result in total compensation expense of \$2,953 to be recognized over the vesting period.

2020 Stock Options

On March 17, 2020, (the "March Grant Date"), the Board approved a grant of options to purchase 15,200 shares of the Company's common stock at a strike price of \$0.81 to various employees (the "March 2020 Options"). The March 2020 Options terminate four years from the March Grant Date and become exercisable as to one-third of the shares of common stock covered thereby on each anniversary of the March Grant Date for the next three years following the March Grant Date. The March 2020 Options resulted in a total compensation expense of \$40,280.

On July 2, 2020 (the "July Grant Date"), upon the recommendation of the Compensation Committee, the Board approved the grant of a non-qualified stock option to purchase 100,000 shares of the Company's common stock to each of Mr. Oviatt and Mr. Tidball under the Company's 2014 Equity Incentive Plan and pursuant to the standard form of Notice of Stock Option Grant and Stock Option Agreement under the plan (the "July 2020 Options"). The exercise price of the July 2020 Options is equal to the closing bid price of the Company's common stock on July 2, 2020 or \$0.8439 per share. The July 2020 Options vest equally over a period of three years from the July Grant Date. Vesting occurs on the anniversary date of the July Grant Date, with one-third of the total shares vesting on each of the first three anniversaries of the July Grant Date. Vesting is contingent upon the executive's continued employment with the Company on each applicable vesting date. The July 2020 Options expire on July 2, 2024. The July 2020 Options will result in a total compensation expense of \$79,431 to be recognized over the vesting period.

On August 21, 2020 (the "August Grant Date"), the Board approved a grant of options to purchase 630,000 shares of the Company's common stock at a strike price of \$0.785 to various employees (the "August 2020 Options"). The August 2020 Options terminate four years from the August Grant Date and become exercisable as to one-third of the shares of common stock covered thereby on each anniversary of the August Grant Date for the next three years following the August Grant Date. The August 2020 Options will result in a total compensation expense of \$233,111 to be recognized over the vesting period.

NOTE 8 – REVENUE

Performance Obligations

Our performance obligations include providing product and servicing our product. We recognize product revenue performance obligations in most cases when the product is delivered to the customer. Occasionally, if we are shipping the product on a customer's account, we recognize revenue when the product has been shipped. At that point in time, the control of the product is transferred to the customer. When we perform service work, we apply the practical expedient that allows us to recognize service revenue when we have the right to invoice the customer for the work completed. We do not engage in transactions acting as an agent. The time needed to complete our performance obligations varies based on the size of the project; however, we typically satisfy our performance obligations within a few months of entering into the applicable sales contract or service contract.

Our customers have the right to return certain unused and unopened products within 90 days for a restocking fee. We provide a warranty on some of our products ranging from 90 days to 2 years, depending on the product. See [note 5](#) for the amount accrued for expected returns and warranty claims as of March 31, 2021.

Contract Balances

We have elected to use the practical expedient in ASC 340-40-25-4 (regarding recognition of the incremental costs of obtaining a contract) for costs related to contracts that are estimated to be completed within one year. All of our current sales contracts and service contracts are expected to be completed within one year, and as a result, we have not recognized a contract asset account. If we had chosen not to use this practical expedient, we would not expect a material difference in the

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
For the three months ended March 31, 2021 and 2020

contract balances. We also did not have any material contract liabilities because we typically do not receive payments in advance of recognizing revenue.

Disaggregation of Revenue

All revenue recognized in the income statement is considered to be revenue from contracts with customers. The table below shows revenue by category:

	For the Three Months Ended March 31,	
	2021	2020
Electronics	\$ 1,851,799	\$ 2,657,087
Manufactured	236,810	400,858
Re-Sell	2,568,926	3,803,013
Service	434,814	586,184
Total Revenue	\$ 5,092,349	\$ 7,447,142

NOTE 9 – BASIC AND DILUTED EARNINGS PER SHARE

The following table is a reconciliation of the numerator and denominators used in the earnings per share calculation:

	For the Three Months Ended March 31,					
	2021			2020		
	Income (loss) (Numerator)	Weighted Average Shares (Denominator)	Per-Share Amount	Income (Numerator)	Weighted Average Shares (Denominator)	Per-Share Amount
Basic EPS						
Net income (loss) available to common stockholders	\$ (601,500)	47,990,101	\$ (0.01)	\$ (365,264)	47,492,441	\$ (0.01)
Effect of Dilutive Securities						
Stock options & RSUs	—	—		—	—	
Diluted EPS						
Net income (loss) available to common stockholders + assumed conversions	<u>\$ (601,500)</u>	<u>47,990,101</u>	\$ (0.01)	<u>\$ (365,264)</u>	<u>47,492,441</u>	\$ (0.01)

Stock options and RSUs to purchase 1,339,450 shares of common stock at a weighted average price of \$1.15 per share were outstanding during the three months ended March 31, 2021, but were not included in the computation of diluted EPS because the impact of these shares would be antidilutive. These RSUs, which expire between April 2021 and August 2024, were still outstanding at March 31, 2021.

Stock options and RSUs to purchase 784,769 shares of common stock at a weighted average price of \$1.28 per share were outstanding during the three months ended March 31, 2020, but were not included in the computation of diluted EPS because the impact of these shares would be antidilutive. These options, which expired between May 2020 and March 2024, were still outstanding at March 31, 2020.

PROFIRE ENERGY, INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
For the three months ended March 31, 2021 and 2020

NOTE 10 – SEGMENT INFORMATION

The Company operates in the United States and Canada. Segment information for these geographic areas is as follows:

	For the Three Months Ended March 31,	
	2021	2020
Sales		
Canada	\$ 828,445	\$ 1,023,722
United States	4,263,904	6,423,420
Total Consolidated	<u>\$ 5,092,349</u>	<u>\$ 7,447,142</u>
	For the Three Months Ended March 31,	
	2021	2020
Profit (Loss)		
Canada	\$ (320,762)	\$ (322,069)
United States	(280,738)	(43,195)
Total Consolidated	<u>\$ (601,500)</u>	<u>\$ (365,264)</u>
	As of	
	March 31, 2021	December 31, 2020
Long-Lived Assets		
Canada	\$ 6,053,391	\$ 6,049,790
United States	5,912,042	6,022,115
Total Consolidated	<u>\$ 11,965,433</u>	<u>\$ 12,071,905</u>

NOTE 11 – SUBSEQUENT EVENTS

On April 30, 2021 the Company entered into amendments to employment agreements with each of Mr. Brenton W. Hatch, the Company's Executive Chairman; Mr. Ryan W. Oviatt, the Company's Co-CEO, CFO, and Co-President; Mr. Cameron M. Tidball, the Company's Co-CEO and Co-President; Mr. Jay G. Fugal, the Company's VP of Operations; and Mr. Patrick D. Fisher the Company's VP of Product Development. The amendments to the employment agreements and the Company's financial obligation related thereto are described in Item 5 of Part II on Page 18 of this report.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion summarizes the significant factors affecting our consolidated operating results, financial condition, liquidity, and capital resources during the three-month periods ended March 31, 2021 and 2020. This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the financial statements and notes to the financial statements contained in this quarterly report on Form 10-Q and our annual report on Form 10-K for the year ended December 31, 2020.

Forward-Looking Statements

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are based on management's beliefs and assumptions and on information currently available to management. For this purpose, any statement contained in this report that is not a statement of historical fact may be deemed to be forward-looking, including, but not limited to, statements relating to our future actions, intentions, plans, strategies, objectives, results of operations, cash flows and the adequacy of or need to seek additional capital resources and liquidity. Words such as "may," "should," "expect," "project," "plan," "anticipate," "believe," "estimate," "intend," "budget," "forecast," "predict," "potential," "continue," "should," "could," "will," or comparable terminology or the negative of such terms are intended to identify forward-looking statements; however, the absence of these words does not necessarily mean that a statement is not forward-looking. Forward-looking statements by their nature involve known and unknown risks and uncertainties and other factors that may cause actual results and outcomes to differ materially depending on a variety of factors, many of which are not within our control. Such factors include, but are not limited to, economic conditions generally and in the oil and gas industry in which we and our customers participate; competition within our industry; legislative requirements or changes which could render our products or services less competitive or obsolete; our failure to successfully develop new products and/or services or to anticipate current or prospective customers' needs; price increases; limits to employee capabilities; delays, reductions, or cancellations of contracts we have previously entered into; sufficiency of working capital, capital resources and liquidity and other factors detailed herein and in our other filings with the United States Securities and Exchange Commission (the "SEC" or "Commission"). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. The foregoing factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this report. For a more detailed discussion of the principal factors that could cause actual results to be materially different, you should read our risk factors in [Item 1A. Risk Factors](#), included elsewhere in this report.

Forward-looking statements are based on current industry, financial and economic information which we have assessed but which by its nature is dynamic and subject to rapid and possibly abrupt changes. Due to risks and uncertainties associated with our business, our actual results could differ materially from those stated or implied by such forward-looking statements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements and we hereby qualify all of our forward-looking statements by these cautionary statements.

Forward-looking statements in this report are based only on information currently available to us and speak only as of the date on which they are made. We undertake no obligation to amend this report or revise publicly these forward-looking statements (other than as required by law) to reflect subsequent events or circumstances, whether as the result of new information, future events or otherwise.

The following discussion should be read in conjunction with our financial statements and the related notes contained elsewhere in this report and in our other filings with the Commission.

Overview

We are a technology company providing solutions that enhance the efficiency, safety, and reliability of industrial combustion appliances while mitigating potential environmental impacts related to the operation of these devices. Our legacy business is primarily focused in the upstream, midstream, and downstream transmission segments of the oil and gas industry; however, we have commenced identifying applications in other industries where we believe our solutions will be applicable as we expand our addressable market over time. We specialize in the engineering and design of burner and combustion management systems and solutions used on a variety of natural and forced draft applications. We sell our products and services primarily throughout North America. Our experienced team of sales and service professionals are strategically positioned across the United States and Canada providing support and service for our products.

Principal Products and Services

Across the energy industry, there are numerous demands for heat generation and control. Applications such as combustors, enclosed flares, gas production units, treaters, glycol and amine reboilers, indirect line-heaters, heated tanks, and process heaters require heat as part of their production and or processing functions. This heat is generated through the process of combustion, which must be controlled, managed, and supervised. Combustion and the resulting generation of heat are integral to the process of separating, treating, storing, incinerating, and transporting oil and gas. Factors such as specific gravity, the presence of hydrates, temperature and hydrogen sulfide content contribute to the need for heat generation in oil and gas production and processing applications. Our burner-management systems ignite, monitor, and manage pilot and burner systems that are utilized in this process. Our technology affords remote operation, reducing the need for employee interaction with the appliance's burner for purposes such as re-ignition or temperature monitoring. In addition, our burner-management systems can help reduce emissions by efficiently reigniting a failed flame, thereby improving efficiencies and up-time. Our extensive service and combustion experience provide customers with solutions that are consistent with industry trends and regulatory requirements to mitigate environmental impacts and reduce emissions through increased efficiency.

Oil and gas companies, including upstream, midstream, downstream, pipeline, and gathering operators, utilize burner-management systems to achieve increased safety, greater operational efficiencies, and improved compliance with industry regulations. Without a burner-management system, a field employee must discover and reignite an extinguished burner flame, then restart the application manually. Therefore, without a proper burner-management system, all application monitoring must be accomplished in-person, directly on-site. This requirement for on-site monitoring, in an environment with limited field personnel, can result in the potential interruption of production for long periods of time and increased risks associated with reigniting a flame, which can lead to site hazards, including explosions and the possibility of venting gas into the atmosphere. In addition, without a burner -management system, burners often operate for longer durations, frequently with lower efficiency, resulting in increased equipment fatigue and greater expense related to fuel consumption. We continue to assess regulatory requirements on behalf of our customers. We believe that burner-management systems and services offer solutions for customers to meet compliance standards where applicable. In addition to product sales, we dispatch specialized service technicians to provide maintenance and installation support throughout the United States and Canada.

We initially developed our first burner-management controller in 2005. Since that time, our systems have become widely adopted throughout the United States and Western Canada. Profire burner-management systems have been designed to comply with widely accepted safety and industrial codes and standards in North America, including those proscribed and certified by the Canadian Standards Association (CSA), Underwriters Laboratories (UL), and Safety Integrity Level (SIL) standards.

Our systems and solutions have been widely adopted by exploration and production companies (E&P), midstream operators, pipeline operators, as well as downstream transmission and utility providers. Our customers include, EQT, Antero, Chevron, Concho Resources, Devon Energy, XTO, CNRL, Cenovus, Hess, Pioneer Natural Resources, Williams, Dominion, ATCO, and others. Our systems have also been sold and installed in other parts of the world including many countries in South America, Europe, Africa, the Middle East, and Asia. Though firmly established and primarily focused on North American oil and gas markets, we continue to invest in expansion efforts in international markets and the broader combustion industries.

Environmental, Social and Governance Focus

As guiding principles and core to our strategy, our products and solutions are developed with a focus on safety, environmental impacts, reliability and efficiency. Protecting human life, protecting the environment, and protecting our customers' investments are key guiding principles. Our products play a key role in supporting our customers' existing and future initiatives regarding improving workplace safety and environmental impacts.

Our burner-management technology is designed to monitor, operate, and manage a wide array of complex industrial heat-applications. Providing our customers with safety-approved and certified technology, purposefully designed and built to meet regulatory requirements and process needs, is a critical component of our customers' safety protocols and initiatives.

Proper burner and combustion management control, coupled with peripheral solutions, increase site and location safety while reducing emissions. Profire technology and solutions are integrated into a variety of applications to significantly reduce the release of methane and volatile organic compounds into the environment.

Profire burner-management controls and complementary solutions provide users with the ability to monitor field equipment remotely. This reduces truck rolls and the need for field personnel to travel to and manually inspect burner malfunctions in remote sites and locations. Our automated solutions help our customers improve safety, reduce emissions, and decrease operating costs.

Operator safety is at the heart of burner-management solution technology. The use of these systems helps our customers increase the likelihood that their employees return home safe each day. Adding greater physical distance between humans and the combustion process, as well as ensuring gas supplies are properly shutoff when no flame is present, are two of the critical elements of how our burner-management solutions help protect human life.

Results of Operations

Comparison quarter over quarter

The table below presents certain financial data comparing the most recent quarter to prior quarters:

	For the three months ended				
	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
Total Revenues	\$ 5,092,349	\$ 5,651,883	\$ 4,000,106	\$ 4,359,479	\$ 7,447,142
Gross Profit Percentage	42.7 %	48.7 %	38.0 %	47.9 %	42.5 %
Operating Expenses	\$ 2,978,912	\$ 2,762,437	\$ 2,849,921	\$ 3,164,318	\$ 3,829,736
Net Income (Loss)	\$ (601,500)	\$ 55,918	\$ (1,057,748)	\$ (808,504)	\$ (365,264)
Operating Cash Flow	\$ 1,820,665	\$ 141,723	\$ (724,342)	\$ 575,941	\$ 271,078

Revenues for the quarter ended March 31, 2021 decreased by 32% or \$2,354,793 compared to the quarter ended March 31, 2020, which was mostly driven by macro industry changes and the ongoing effects of the COVID-19 pandemic over the past year. The average oil price during the three months ended March 31, 2021 was \$58.09 per barrel compared to \$45.34 per barrel for the same period of last year, representing an increase of 28.1%. However, the first quarter of 2021 weekly average rig count for North America was 522 compared to 958 in the same period of last year, which represents a decrease of 46%. Although oil prices have recovered somewhat from the historic fall in 2020 which was caused by a flood of supply from Russia and Saudi Arabia and a dramatic drop in global demand due to the COVID-19 pandemic, the operating environment in the first quarter of 2021 continued to be characterized by uncertainty surrounding economic recovery from the COVID-19 pandemic and geopolitical factors. This uncertainty continued to create strain in oil supply and demand dynamics. As a result of these extraordinary macro pressures and uncertainties, exploration and production companies have remained cautious and are not currently investing in new production like they were prior to the pandemic. Until our customers return to more normal capital expenditure levels, our business is likely to continue to be adversely affected.

Our gross profit margin for the first quarter of 2021 was up slightly from the same quarter of last year but was below our normally expected range. The gross margin percentage normally fluctuates each quarter due to changes in product mix and product related reserves, which contributed to the change in gross profit margin for the first quarter of 2021. In addition, the significant decrease in revenue for the first quarter of 2021 compared to the same quarter last year also caused the fixed cost portion of cost of goods and services to push the product margin lower than historic levels. Although we took actions during 2020 to reduce costs and adjust the cost structure of the Company to reduce the fixed cost burden on gross margin, our fixed costs will continue to impact our gross profit margin until revenues recover.

Operating expenses decreased \$850,824 from the same quarter of last year, which reflected a focus on cost control measures as we navigate the uncertainty caused by the COVID-19 pandemic and the resulting oil market supply and demand imbalance. We expect that our operating expenses, particularly labor and travel costs, will increase to levels more consistent with pre-pandemic amounts in 2021 as economies recover from the pandemic and demand for oil and gas increases.

Due to the significantly lower revenues discussed above, we reported a net loss of \$601,500 for the quarter ended March 31, 2021 compared to net loss of \$365,264 for the same quarter in 2020.

Operating cash flows increased significantly during the first quarter of 2021 compared to the first quarter of 2020, due primarily to a focus on customer collection efforts and the sale of the remaining bays from our old office building in Canada, which took place during the period.

The global COVID-19 pandemic continued to impact our business during the first quarter of 2021 and will likely continue to impact our business in future quarters. However, we remain optimistic that our results of operations will improve as vaccine distribution increases, which we anticipate will result in improved economic conditions and improved demand for oil and gas.

Liquidity and Capital Resources

Working capital at March 31, 2021 was \$22,677,200, compared to \$23,420,475 at December 31, 2020.

Our liquidity position is impacted by operating, investing and financing activities. During the three months ended March 31, 2021, we generated \$1,820,665 of positive cash flow from operating activities, primarily due to cash received from customer sales and from the sale of remaining bays from our old office building in Canada, partially offset by the impact of changes in income tax, accounts payable and accrued liabilities accounts. Operating activity trends consist of cash inflows and outflows related to changes in operating assets and liabilities. During the three months ended March 31, 2021, we used \$468,871 of cash in investing activities, primarily due to new investment purchases. Investing activity trends consist of changes in the mix of our investment portfolio, purchases or sales of fixed assets, and acquisition activities. During the three months ended March 31, 2021, we used \$37,856 of cash in financing activities, primarily related to equity awards issued to management. Financing activity trends consist of transactions related to equity awards and purchases or sales of treasury stock. We did not purchase any treasury stock during the first quarter of 2021. The extent to which the global COVID-19 pandemic will continue to affect our liquidity position will depend on future developments, which are highly uncertain and cannot be predicted with confidence. As of March 31, 2021, we held \$19,358,668 of cash and investments that form our core excess liquidity which could be utilized, if required, due to the issues described above. See also [Item 1A. Risk Factors](#) for further discussion on the impact of COVID-19 on our business.

Off-Balance Sheet Arrangements

We have not engaged in any off-balance sheet arrangements, nor do we plan to engage in any in the foreseeable future.

Item 3. Quantitative and Qualitative Disclosure about Market Risk

This section is not required.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of the Principal Executive Officer and Principal Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(b) under the Exchange Act, as of the end of the period covered by this quarterly report on Form 10-Q. Our disclosure controls and procedures are designed to ensure that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based on the evaluation performed, our management, including the Principal Executive Officer and Principal Financial Officer, concluded that the disclosure controls and procedures were effective as of March 31, 2021.

Changes in Internal Control over Financial Reporting

Our management, with the participation of our Principal Executive Officer and Principal Financial Officer, evaluated the changes in our internal control over financial reporting that occurred during the quarterly period covered by this quarterly report on Form 10-Q. Based on that evaluation, management concluded that no change in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the quarter ended March 31, 2021 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

To the best of our knowledge, there are no legal proceedings pending or threatened against us that may have a material impact on us and there are no actions pending or threatened against any of our directors or officers that are adverse to us.

Item 1A. Risk Factors

In addition to the other information set forth in this quarterly report on Form 10-Q, you should carefully consider the risks discussed in our annual report on Form 10-K for the year ended December 31, 2020, which risks could materially affect our business, financial condition or future results. These risks are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material, adverse effect on our business, financial condition or future results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

This item is not applicable.

Item 3. Defaults Upon Senior Securities

This item is not applicable.

Item 4. Mine Safety Disclosures

This item is not applicable.

Item 5. Other Information

On April 30, 2021, the Board authorized amendments to the Company's employment agreements with Mr. Brenton W. Hatch, the Company's Executive Chairman, Mr. Ryan W. Oviatt the Company's Co-Chief Executive Officer, Co-President, and Chief Financial Officer of the Company, Mr. Cameron M. Tidball, the Company's Co-Chief Executive Officer and Co-President of the Company, Mr. Jay G. Fugal, the Company's VP of Operations and Mr. Patrick D. Fisher, the Company's VP of Product Development. Each of the amendments was recommended by the Compensation Committee. The amendments to the employment agreements are further described below.

The Company and Mr. Hatch entered into a First Amendment to Second Amended and Restated Employment Agreement ("Hatch Agreement Amendment") as approved by the Company's Board of Directors (the "Board") and recommended by its Compensation Committee (the "Committee"). Pursuant to the Hatch Agreement, Mr. Hatch will be paid an annual rate of base salary in periodic installments consistent with the Company's payroll practices as in effect from time to time. For the period from July 2, 2020 through December 31, 2020 Mr. Hatch was paid a salary based on an annualized base salary of \$350,000; however, in connection with the Company's response to the COVID-19 pandemic, with Mr. Hatch's consent, from September 1, 2020 until December 31, 2020, Mr. Hatch was paid a salary based on a reduced annualized base salary of \$322,000 US. For the period from January 1, 2021 through June 30, 2021, Mr. Hatch will be paid a salary based on an annualized base salary of \$400,000. For the period from July 1, 2021 through June 30, 2022, Mr. Hatch will be paid a salary based on an annualized base salary of \$400,000, which shall be apportioned as \$150,000 for serving as Executive Chairman and \$250,000 for advisory services.

The Company and Mr. Oviatt entered into a First Amendment to Second Amended and Restated Employment Agreement (the "Oviatt Agreement Amendment"). Pursuant to the Oviatt Agreement Amendment, Mr. Oviatt will be paid an annual rate of base salary in periodic installments consistent with the Company's payroll practices as in effect from time to time. For the period from July 2, 2020 to August 31, 2020, Mr. Oviatt was paid a salary based on an annualized base salary of \$275,000 US. In connection with the Company's response to the COVID-19 pandemic, and with Mr. Oviatt's consent, effective September 1, 2020, Mr. Oviatt was paid a salary based on a reduced annualized base salary of \$253,000 US and his base salary shall remain at such amount until July 1, 2021, at which time Mr. Oviatt's base salary shall increase to \$300,000 US, provided the Compensation Committee may cause such increase to occur sooner in its discretion. Generally, Mr. Oviatt's base salary shall be reviewed at least annually by the Compensation Committee. The Compensation Committee may, but shall not be required to, increase Mr. Oviatt's base salary at any time during the employment term. Mr. Oviatt's base salary shall be adjusted to \$330,000 US on January 1, 2022. Additionally, in connection with the Company's response to the COVID-19 Pandemic, and with Mr. Oviatt's consent, the Compensation Committee did not implement any annual incentive plan or similar bonus program or any long-term incentive plan for the Company's 2020 fiscal year and no bonus was awarded to Mr. Oviatt for the 2020 fiscal year.

The Company and Mr. Tidball entered into a First Amendment to Amended and Restated Employment Agreement ("Tidball Agreement Amendment"). Pursuant to the Tidball Agreement Amendment, Mr. Tidball will be paid an annual rate of base salary in periodic installments consistent with the Company's payroll practices as in effect from time to time. For the period from July 2, 2020 to August 31, 2020, Mr. Tidball was paid a salary based on an annualized base salary of \$275,000 US. In connection with the Company's response to the COVID-19 pandemic, and with Mr. Tidball's consent, effective September 1, 2020, Mr. Tidball was paid a salary based on a reduced annualized base salary of \$253,000 US and his base salary shall remain at such amount until July 1, 2021, at which time Mr. Tidball's base salary shall increase to \$300,000 US, provided the Compensation Committee may cause such increase to occur sooner in its discretion. Generally, Mr. Tidball's base salary shall be reviewed at least annually by the Compensation Committee. The Compensation Committee may, but shall not be required to, increase Mr. Tidball's base salary at any time during the employment term. Mr. Tidball's base salary shall be adjusted to \$330,000 US on January 1, 2022. Additionally, in connection with the Company's response to the COVID-19 Pandemic, and with Mr. Tidball's consent, the Compensation Committee did not implement any annual incentive plan or similar bonus program or any long-term incentive plan for the Company's 2020 fiscal year and no bonus was awarded to Mr. Tidball for the 2020 fiscal year.

The Company and Mr. Fugal entered into a First Amendment to Employment Agreement ("Fugal Agreement Amendment"). Pursuant to the Fugal Agreement Amendment, Mr. Fugal will be paid an annual rate of base salary in periodic installments consistent with the Company's payroll practices as in effect from time to time. In connection with the Company's response to the COVID-19 pandemic, and with Mr. Fugal's consent, effective September 1, 2020 Mr. Fugal was paid a salary based on a reduced annualized base salary of \$151,616 US and his base salary shall remain at such amount until July 1, 2021 at which time Mr. Fugal's base salary shall increase to \$164,800 US, provided the Compensation Committee may cause such increase to occur sooner in its discretion. Generally, the Compensation Committee shall review Mr. Fugal's base salary annually and may, but shall not be required to, increase Mr. Fugal's base salary at any time during the employment term. Additionally, in connection with the Company's response to the COVID-19 Pandemic, and with Mr. Fugal's consent, the Compensation Committee did not implement any annual incentive plan or similar bonus program or any long-term incentive plan for the Company's 2020 fiscal year and no bonus was awarded to Mr. Fugal for the 2020 fiscal year.

The Company and Mr. Fisher entered into a First Amendment to Employment Agreement ("Fisher Agreement Amendment"). Pursuant to the Fisher Agreement Amendment, Mr. Fisher will be paid an annual rate of base salary in periodic installments consistent with the Company's payroll practices as in effect from time to time. In connection with the Company's response to the COVID-19 pandemic, and with Mr. Fisher's consent, effective September 1, 2020 Mr. Fisher was paid a salary based on a reduced annualized base salary of \$142,600 CAD and his base salary shall remain at such amount until July 1, 2021 at which time Mr. Fisher's base salary shall increase to \$155,000 CAD, provided the Compensation Committee may cause such increase to occur sooner in its discretion. Generally, the Compensation Committee shall review Mr. Fisher's base salary annually and may, but shall not be required to, increase Mr. Fisher's base salary at any time during the employment term. Additionally, in connection with the Company's response to the COVID-19 Pandemic, and with Mr. Fisher's consent, the Compensation Committee did not implement any annual incentive plan or similar bonus program or any long-term incentive plan for the Company's 2020 fiscal year and no bonus was awarded to Mr. Fisher for the 2020 fiscal year.

Item 6. Exhibits

Exhibits. The following exhibits are included as part of this report:

Exhibit 10.1*	Restricted Stock Award Agreement between Profire Energy and Ryan Oviatt dated February 18, 2021
Exhibit 10.2*	Restricted Stock Award Agreement between Profire Energy and Cameron Tidball dated February 18, 2021
Exhibit 10.3*	First Amendment to Second Amended and Restated Employment Agreement between Profire Energy and Brenton W. Hatch dated April 30, 2021
Exhibit 10.4*	First Amendment to Second Amended and Restated Employment Agreement between Profire Energy and Ryan Oviatt dated April 30, 2021
Exhibit 10.5*	First Amendment to Amended and Restated Employment Agreement between Profire Energy and Cameron Tidball dated April 30, 2021
Exhibit 10.6*	First Amendment to Employment Agreement between Profire Energy and Jay G. Fugal dated April 30, 2021
Exhibit 10.7*	First Amendment to Employment Agreement between Profire Energy and Patrick D. Fisher dated April 30, 2021
Exhibit 31.1*	Certification of Co-Principal Executive Officer Pursuant to Rule 13a-14(a) Ryan W. Oviatt
Exhibit 31.2*	Certification of Co-Principal Executive Officer Pursuant to Rule 13a-14(a) Cameron M. Tidball
Exhibit 31.3*	Certification of Principal Financial Officer Pursuant to Rule 13a-14(a)
Exhibit 32.1*	Certification of Principal Executive Officers pursuant to 18 U.S.C. Section 1350
Exhibit 32.2*	Certification of Ryan W. Oviatt, Principal Financial Officer pursuant to 18 U.S.C. Section 1350
Exhibit 101.INS*	XBRL Instance Document
Exhibit 101.SCH*	XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.DEF*	XBRL Taxonomy Definition Linkbase Document
Exhibit 101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
Exhibit 101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PROFIRE ENERGY, INC.

Date: May 5, 2021 By: /s/ Ryan W. Oviatt
Ryan W. Oviatt
Co-Chief Executive Officer and Chief Financial Officer

Date: May 5, 2021 By: /s/ Cameron M. Tidball
Cameron M. Tidball
Co-Chief Executive Officer

PROFIRE ENERGY, INC.
2014 EQUITY INCENTIVE PLAN
RESTRICTED STOCK AWARD AGREEMENT

This RESTRICTED STOCK AWARD AGREEMENT (this “Agreement”) is entered into as of February 18, 2021 (the “Effective Date”), by and between Profire Energy, Inc., a Nevada corporation (the “Company”), and Ryan W. Oviatt (“Participant”). All capitalized terms used herein but not defined herein shall have the meanings given to them in the Profire Energy, Inc. 2014 Equity Incentive Plan, as amended (the “Plan”).

1. Award. The Company hereby grants to Participant a restricted stock award of 18,852 shares (the “Shares”) of Common Stock, par value \$0.001 per share, of the Company according to the terms and conditions set forth herein and in the Plan. The Shares are Restricted Stock granted under Section 6(c) of the Plan. A copy of the Plan will be furnished upon request of Participant.

2. [Reserved.]

3. [Reserved.]

4. [Reserved.]

5. Miscellaneous.

(a) Issuance of Shares. The Shares granted pursuant to this Agreement may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration or issuance of a stock certificate or certificates, which certificate or certificates shall be held by the Company or held in nominee name by the stock transfer agent or brokerage service selected by the Company to provide such services for the Plan. Such certificate or certificates shall be registered in the name of the Participant and shall bear an appropriate legend referring to the restrictions applicable to such Restricted Stock. Participant hereby agrees to the retention by the Company of the Shares and, if a stock certificate is used, agrees to execute and deliver to the Company a blank stock power with respect to the Shares as a condition to the receipt of this award of Shares. Following payment of the applicable withholding taxes pursuant to Section 5(b) of this Agreement, the Company shall promptly cause to be issued a certificate or certificates, or through book-entry registration, registered in the name of Participant or in the name of Participant’s legal representatives, beneficiaries or heirs, as the case may be, evidencing such whole Shares (less any shares withheld to pay withholding taxes) and shall cause such certificate or certificates to be delivered to Participant or Participant’s legal representatives, beneficiaries or heirs, as the case may be, free of the legend or the stop-transfer order referenced above. The value of any fractional Shares shall be paid in cash at the time certificates evidencing the Shares are delivered to Participant.

(b) Income Tax Matters.

(i) In order to comply with all applicable federal or state income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all

applicable federal or state payroll, withholding, income or other taxes, which are the sole and absolute responsibility of Participant, are withheld or collected from Participant.

(ii) In accordance with the terms of the Plan, and such rules as may be adopted by the Committee under the Plan, Participant may elect to satisfy Participant's federal and state income tax withholding obligations arising from the receipt of, or the lapse of restrictions relating to, the Shares, by (i) delivering cash, check (bank check, certified check or personal check) or money order payable to the Company, (ii) having the Company withhold a portion of the Shares otherwise to be delivered having a Fair Market Value equal to the amount of such taxes, or (iii) delivering to the Company shares of Common Stock already owned by Participant having a Fair Market Value equal to the amount of such taxes. Any shares already owned by Participant must have been held by the Participant for no less than six months prior to the date delivered to the Company if such shares were acquired upon the exercise of an option of restricted stock units or other restricted stock. The Company will not deliver any fractional Shares but will pay, in lieu thereof, the Fair Market Value of such fractional Shares. Participant's election must be made on or before the date that the amount of tax to be withheld is determined.

(c) Plan Provisions Control. This Award is subject to the terms and conditions of the Plan, but the terms of the Plan shall not be considered an enlargement of any benefits under this Agreement. In addition, this Award is subject to the rules and regulations promulgated pursuant to the Plan, now or hereafter in effect. A copy of the Plan will be furnished upon request of the Participant. In the event that any provision of the Agreement conflicts with or is inconsistent in any respect with the terms of the Plan, the terms of the Plan shall control. This Agreement (and any addendum hereto) and the Plan together constitute the entire agreement between the parties hereto with regard to the subject matter hereof.

(d) No Right to Employment. The issuance of the Award shall not be construed as giving Participant the right to be retained in the employ, or as giving a director of the Company or an Affiliate the right to continue as a director of the Company or an Affiliate, nor will it affect in any way the right of the Company or an Affiliate to terminate such employment or position at any time, with or without cause. In addition, the Company or an Affiliate may at any time dismiss Participant from employment or terminate the term of a director of the Company or an Affiliate, free from any liability or any claim under the Plan or the Agreement. Nothing in the Agreement shall confer on any person any legal or equitable right against the Company or any Affiliate, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or an Affiliate. The Award granted hereunder shall not form any part of the wages or salary of Participant for purposes of severance pay or termination indemnities, irrespective of the reason for termination of employment. Under no circumstances shall any person ceasing to be an employee of the Company or any Affiliate be entitled to any compensation for any loss of any right or benefit under the Agreement or Plan which such employee might otherwise have enjoyed but for termination of employment, whether such compensation is claimed by way of damages for wrongful or unfair dismissal, breach of contract or otherwise. By participating in the Plan, Participant shall be deemed to have accepted all the conditions of the Plan and the Agreement and the terms and conditions of any rules and regulations adopted by the Committee (as defined in the Plan) and shall be fully bound thereby.



(e) Governing Law. The validity, construction and effect of the Plan and the Agreement, and any rules and regulations relating to the Plan and the Agreement, shall be determined in accordance with the internal laws, and not the law of conflicts, of the State of Nevada.

(f) Securities Matters. The Company shall not be required, and shall not have any liability for failure, to deliver Shares until the requirements of any federal or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Company to be applicable are satisfied.

(g) Severability. If any provision of the Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or the Agreement, such provision shall be stricken as to such jurisdiction or the Agreement, and the remainder of the Agreement shall remain in full force and effect.

(h) No Trust or Fund Created. Neither the Plan nor the Agreement shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and Participant or any other person.

(i) Headings. Headings are given to the Sections and subsections of the Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Agreement or any provision thereof.

(j) Consultation with Professional Tax and Investment Advisors. The holder of this Award acknowledges that the grant, exercise, or any payment with respect to this Award, and the sale or other taxable disposition of the Shares acquired pursuant to the exercise thereof, may have tax consequences pursuant to the Internal Revenue Code of 1986, as amended, or under local, state or international tax laws. The holder further acknowledges that such holder is relying solely and exclusively on the holder's own professional tax and investment advisors with respect to any and all such matters (and is not relying, in any manner, on the Company or any of its employees or representatives). Finally, the holder understands and agrees that any and all tax consequences resulting from the Award and its grant, exercise, or any payment with respect thereto, and the sale or other taxable disposition of the Shares acquired pursuant to the Plan, is solely and exclusively the responsibility of the holder without any expectation or understanding that the Company or any of its employees or representatives will pay or reimburse such holder for such taxes or other items.

[Signature page follows]



IN WITNESS WHEREOF, the Company and Participant have executed this Agreement as of the Effective Date.

PROFIRE ENERGY, INC.

By: /s/ Cameron M. Tidball
Name: Cameron M. Tidball
Title: Co-CEO and Co-President

PARTICIPANT:

/s/ Ryan W. Oviatt
Ryan W. Oviatt

[Signature page to Restricted Stock Award Agreement]

PROFIRE ENERGY, INC.
2014 EQUITY INCENTIVE PLAN
RESTRICTED STOCK AWARD AGREEMENT

This RESTRICTED STOCK AWARD AGREEMENT (this “Agreement”) is entered into as of February 18, 2021 (the “Effective Date”), by and between Profire Energy, Inc., a Nevada corporation (the “Company”), and Cameron M. Tidball (“Participant”). All capitalized terms used herein but not defined herein shall have the meanings given to them in the Profire Energy, Inc. 2014 Equity Incentive Plan, as amended (the “Plan”).

1. Award. The Company hereby grants to Participant a restricted stock award of 18,852 shares (the “Shares”) of Common Stock, par value \$0.001 per share, of the Company according to the terms and conditions set forth herein and in the Plan. The Shares are Restricted Stock granted under Section 6(c) of the Plan. A copy of the Plan will be furnished upon request of Participant.

2. [Reserved.]

3. [Reserved.]

4. [Reserved.]

5. Miscellaneous.

(a) Issuance of Shares. The Shares granted pursuant to this Agreement may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration or issuance of a stock certificate or certificates, which certificate or certificates shall be held by the Company or held in nominee name by the stock transfer agent or brokerage service selected by the Company to provide such services for the Plan. Such certificate or certificates shall be registered in the name of the Participant and shall bear an appropriate legend referring to the restrictions applicable to such Restricted Stock. Participant hereby agrees to the retention by the Company of the Shares and, if a stock certificate is used, agrees to execute and deliver to the Company a blank stock power with respect to the Shares as a condition to the receipt of this award of Shares. Following payment of the applicable withholding taxes pursuant to Section 5(b) of this Agreement, the Company shall promptly cause to be issued a certificate or certificates, or through book-entry registration, registered in the name of Participant or in the name of Participant’s legal representatives, beneficiaries or heirs, as the case may be, evidencing such whole Shares (less any shares withheld to pay withholding taxes) and shall cause such certificate or certificates to be delivered to Participant or Participant’s legal representatives, beneficiaries or heirs, as the case may be, free of the legend or the stop-transfer order referenced above. The value of any fractional Shares shall be paid in cash at the time certificates evidencing the Shares are delivered to Participant.

(b) Income Tax Matters.

(i) In order to comply with all applicable federal or state income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all

applicable federal or state payroll, withholding, income or other taxes, which are the sole and absolute responsibility of Participant, are withheld or collected from Participant.

(ii) In accordance with the terms of the Plan, and such rules as may be adopted by the Committee under the Plan, Participant may elect to satisfy Participant's federal and state income tax withholding obligations arising from the receipt of, or the lapse of restrictions relating to, the Shares, by (i) delivering cash, check (bank check, certified check or personal check) or money order payable to the Company, (ii) having the Company withhold a portion of the Shares otherwise to be delivered having a Fair Market Value equal to the amount of such taxes, or (iii) delivering to the Company shares of Common Stock already owned by Participant having a Fair Market Value equal to the amount of such taxes. Any shares already owned by Participant must have been held by the Participant for no less than six months prior to the date delivered to the Company if such shares were acquired upon the exercise of an option of restricted stock units or other restricted stock. The Company will not deliver any fractional Shares but will pay, in lieu thereof, the Fair Market Value of such fractional Shares. Participant's election must be made on or before the date that the amount of tax to be withheld is determined.

(c) Plan Provisions Control. This Award is subject to the terms and conditions of the Plan, but the terms of the Plan shall not be considered an enlargement of any benefits under this Agreement. In addition, this Award is subject to the rules and regulations promulgated pursuant to the Plan, now or hereafter in effect. A copy of the Plan will be furnished upon request of the Participant. In the event that any provision of the Agreement conflicts with or is inconsistent in any respect with the terms of the Plan, the terms of the Plan shall control. This Agreement (and any addendum hereto) and the Plan together constitute the entire agreement between the parties hereto with regard to the subject matter hereof.

(d) No Right to Employment. The issuance of the Award shall not be construed as giving Participant the right to be retained in the employ, or as giving a director of the Company or an Affiliate the right to continue as a director of the Company or an Affiliate, nor will it affect in any way the right of the Company or an Affiliate to terminate such employment or position at any time, with or without cause. In addition, the Company or an Affiliate may at any time dismiss Participant from employment or terminate the term of a director of the Company or an Affiliate, free from any liability or any claim under the Plan or the Agreement. Nothing in the Agreement shall confer on any person any legal or equitable right against the Company or any Affiliate, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or an Affiliate. The Award granted hereunder shall not form any part of the wages or salary of Participant for purposes of severance pay or termination indemnities, irrespective of the reason for termination of employment. Under no circumstances shall any person ceasing to be an employee of the Company or any Affiliate be entitled to any compensation for any loss of any right or benefit under the Agreement or Plan which such employee might otherwise have enjoyed but for termination of employment, whether such compensation is claimed by way of damages for wrongful or unfair dismissal, breach of contract or otherwise. By participating in the Plan, Participant shall be deemed to have accepted all the conditions of the Plan and the Agreement and the terms and conditions of any rules and regulations adopted by the Committee (as defined in the Plan) and shall be fully bound thereby.



(e) Governing Law. The validity, construction and effect of the Plan and the Agreement, and any rules and regulations relating to the Plan and the Agreement, shall be determined in accordance with the internal laws, and not the law of conflicts, of the State of Nevada.

(f) Securities Matters. The Company shall not be required, and shall not have any liability for failure, to deliver Shares until the requirements of any federal or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Company to be applicable are satisfied.

(g) Severability. If any provision of the Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or the Agreement, such provision shall be stricken as to such jurisdiction or the Agreement, and the remainder of the Agreement shall remain in full force and effect.

(h) No Trust or Fund Created. Neither the Plan nor the Agreement shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and Participant or any other person.

(i) Headings. Headings are given to the Sections and subsections of the Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Agreement or any provision thereof.

(j) Consultation with Professional Tax and Investment Advisors. The holder of this Award acknowledges that the grant, exercise, or any payment with respect to this Award, and the sale or other taxable disposition of the Shares acquired pursuant to the exercise thereof, may have tax consequences pursuant to the Internal Revenue Code of 1986, as amended, or under local, state or international tax laws. The holder further acknowledges that such holder is relying solely and exclusively on the holder's own professional tax and investment advisors with respect to any and all such matters (and is not relying, in any manner, on the Company or any of its employees or representatives). Finally, the holder understands and agrees that any and all tax consequences resulting from the Award and its grant, exercise, or any payment with respect thereto, and the sale or other taxable disposition of the Shares acquired pursuant to the Plan, is solely and exclusively the responsibility of the holder without any expectation or understanding that the Company or any of its employees or representatives will pay or reimburse such holder for such taxes or other items.

[Signature page follows]



IN WITNESS WHEREOF, the Company and Participant have executed this Agreement as of the Effective Date.

PROFIRE ENERGY, INC.

By: /s/Ryan W. Oviatt
Name: Ryan W. Oviatt
Title: Co-CEO and Co-President

PARTICIPANT:

/s/ Cameron M. Tidball
Cameron M. Tidball

[Signature page to Restricted Stock Award Agreement]

FIRST AMENDMENT TO SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this “Amendment”), dated April 30, 2021, is by and between Profire Energy, Inc., a Nevada corporation (the “Company”), and Brenton W. Hatch (“Executive”).

RECITALS

WHEREAS, the parties previously entered into the Second Amended and Restated Employment Agreement dated July 2, 2020 (the “Agreement”); and

WHEREAS, as permitted by the Agreement, the parties wish to modify the Agreement relating to compensation as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment of Section 3.

(a) Amendment of Section 3.1. Effective as of the execution of this Amendment, Section 4.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

“3.1 Base Salary. The Company shall pay Executive an annual rate of base salary in periodic installments in accordance with the Company’s customary payroll practices and applicable wage payment laws, but no less frequently than monthly, such annual base salary, as in effect from time to time, hereinafter referred to as “Base Salary”, as follows:

(a) during the first half of the Executive Chairman Term, from the Effective Date through December 31, 2020, \$350,000, provided, that in connection with the Company’s response to the COVID-19 pandemic, with Executive’s consent, from September 1, 2020 until December 31, 2020, Executive’s Base Salary was reduced to \$322,000 US;

(b) during second half of the Executive Chairman Term, from January 1, 2021 until June 30, 2021, \$400,000; and

(c) during the Special Advisor Term, from July 1, 2021 until June 30, 2022, \$400,000, which shall be apportioned as \$150,000 for serving as Chairman and \$250,000 for advisory services.”

2. Continuing Effectiveness. Except as modified by this Amendment, the Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. This Amendment shall not constitute an amendment or waiver of any provision of the Agreement not expressly referred to herein.

3. Counterparts. This Amendment may be executed in any number of identical counterparts (and by facsimile copy). If so executed, each of such counterparts is deemed to be an original for all purposes, and all such counterparts shall collectively constitute one agreement.

4. Governing Law. This Amendment, and the rights of the parties hereunder and all actions or proceedings arising in connection herewith or therewith, shall be governed by and construed and enforced in accordance with the laws of the State of Utah without regard to conflicts of laws principles thereof that would cause the application of the laws of any other jurisdiction.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Amended and Restated Employment Agreement to be executed as of the date first written above.

THE COMPANY

PROFIRE ENERGY, INC.

/s/ Ryan W. Oviatt

Ryan W. Oviatt

Co-Chief Executive Officer, Co-President

EXECUTIVE

/s/Brenton W. Hatch

Brenton W. Hatch

Signature Page to First Amendment to Second Amended and Restated Employment
Agreement (Brenton W. Hatch)

FIRST AMENDMENT TO SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this “Amendment”), dated April 30, 2021, is by and between Profire Energy, Inc., a Nevada corporation (the “Company”), and Ryan W. Oviatt (“Executive”).

RECITALS

WHEREAS, the parties previously entered into the Second Amended and Restated Employment Agreement dated July 2, 2020 (the “Agreement”);

WHEREAS, as permitted by the Agreement, the parties wish to modify the Agreement relating to compensation as set forth herein; and

WHEREAS, the parties acknowledge that, in connection with such compensation modifications, Executive and the Company entered into a Restricted Stock Award Agreement dated February 18, 2021 pursuant to which Executive received an award of 18,852 shares of the Company’s common stock pursuant to the Company’s 2014 Equity Incentive Plan, as amended.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment of Section 4.

(a) Amendment of Section 4.1. Effective as of the execution of this Amendment, Section 4.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.1 Base Salary. The Company shall pay Executive an annual base salary (as adjusted from time to time as provided herein, the “Base Salary”) in periodic installments in accordance with the Company’s customary payroll practices and applicable wage payment laws, but no less frequently than monthly. From the execution of the Agreement until August 31, 2020, Base Salary was \$275,000 US. In connection with the Company’s response to the COVID-19 pandemic, with Executive’s consent, effective September 1, 2020, Executive’s Base Salary was reduced to \$253,000 US and shall remain at such amount until July 1, 2021 at which time the Base Salary shall increase to \$300,000 US, provided, the compensation committee of the Board (the “Compensation Committee”) may cause such increase to occur sooner in its discretion. Generally, Executive’s Base Salary shall be reviewed at least annually by the Compensation Committee, and it may, but shall not be required to, increase Executive’s Base Salary at any time during the Employment Term. Executive’s Base Salary shall be adjusted to \$330,000 US on January 1, 2022.”

(b) Amendment of Section 4.2. Effective as of the execution of this Amendment, Section 4.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.2 Annual Incentive Plan. For each calendar year of the Employment Term, Executive shall be eligible to receive an annual bonus (the “Annual Bonus”), in the amount (if any) determined by the Compensation Committee in accordance with the terms and eligibility requirements of the Company’s then-current Annual Incentive Plan or its successor plan as adopted by the Compensation Committee from time to time. In connection to the Company’s response to the COVID-19 pandemic, and with Executive’s consent, the Compensation Committee did not implement any Annual Incentive Plan or similar bonus program for the Company’s 2020 fiscal year and no bonus was awarded to Executive for such fiscal year.”

(c) Amendment of Section 4.3. Effective as of the execution of this Amendment, Section 4.3 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.3 Long-Term Incentive Plan. During the Employment Term, Executive shall be eligible to participate in the Company’s then-current Long-Term Incentive Plan or any successor plan, subject to the terms of the Long-Term Incentive Plan or its successor plan, as determined by the Compensation Committee, in its discretion. In connection to the Company’s response to the COVID-19 pandemic, and with Executive’s consent, the Compensation Committee did not make any award to Executive under any Long-Term Incentive Plan or similar program for the Company’s 2020 fiscal year.”

2. Continuing Effectiveness. Except as modified by this Amendment, the Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. This Amendment shall not constitute an amendment or waiver of any provision of the Agreement not expressly referred to herein.

3. Counterparts. This Amendment may be executed in any number of identical counterparts (and by facsimile copy). If so executed, each of such counterparts is deemed to be an original for all purposes, and all such counterparts shall collectively constitute one agreement.

4. Governing Law. This Amendment, and the rights of the parties hereunder and all actions or proceedings arising in connection herewith or therewith, shall be governed by and construed and enforced in accordance with the laws of the State of Utah without regard to conflicts of laws principles thereof that would cause the application of the laws of any other jurisdiction.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Amended and Restated Employment Agreement to be executed as of the date first written above.

THE COMPANY

PROFIRE ENERGY, INC.

/s/ Cameron M. Tidball

Cameron M. Tidball

Co-Chief Executive Officer, Co-President

EXECUTIVE

/s/Ryan W. Oviatt

Ryan W. Oviatt

Signature Page to First Amendment to Second Amended and Restated Employment
Agreement (Ryan Oviatt)

FIRST AMENDMENT TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this “Amendment”), dated April 30, 2021, is by and between Profire Energy, Inc., a Nevada corporation (the “Company”), and Cameron Tidball (“Executive”).

RECITALS

WHEREAS, the parties previously entered into the Amended and Restated Employment Agreement dated July 2, 2020 (the “Agreement”);

WHEREAS, as permitted by the Agreement, the parties wish to modify the Agreement relating to compensation as set forth herein; and

WHEREAS, the parties acknowledge that, in connection with such compensation modifications, Executive and the Company entered into a Restricted Stock Award Agreement dated February 18, 2021, pursuant to which Executive received an award of 18,852 shares of the Company’s common stock pursuant to the Company’s 2014 Equity Incentive Plan, as amended.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment of Section 4.

(a) Amendment of Section 4.1. Effective as of the execution of this Amendment, Section 4.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.1 Base Salary. The Company shall pay Executive an annual base salary (as adjusted from time to time as provided herein, the “Base Salary”) in periodic installments in accordance with the Company’s customary payroll practices and applicable wage payment laws, but no less frequently than monthly. From the execution of the Agreement until August 31, 2020, Base Salary was \$275,000 US. In connection with the Company’s response to the COVID-19 pandemic, with Executive’s consent, effective September 1, 2020, Executive’s Base Salary was reduced to \$253,000 US and shall remain at such amount until July 1, 2021 at which time the Base Salary shall increase to \$300,000 US, provided, the compensation committee of the Board (the “Compensation Committee”) may cause such increase to occur sooner in its discretion. Generally, Executive’s Base Salary shall be reviewed at least annually by the Compensation Committee, and it may, but shall not be required to, increase Executive’s Base Salary at any time during the Employment Term. Executive’s Base Salary shall be adjusted to \$330,000 US on January 1, 2022.”

(b) Amendment of Section 4.2. Effective as of the execution of this Amendment, Section 4.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.2 Annual Incentive Plan. For each calendar year of the Employment Term, Executive shall be eligible to receive an annual bonus (the “Annual Bonus”), in the amount (if any) determined by the Compensation Committee in accordance with the terms and eligibility requirements of the Company’s then-current Annual Incentive Plan or its successor plan as adopted by the Compensation Committee from time to time. In connection to the Company’s response to the COVID-19 pandemic, and with Executive’s consent, the Compensation Committee did not implement any Annual Incentive Plan or similar bonus program for the Company’s 2020 fiscal year and no bonus was awarded to Executive for such fiscal year.”

(c) Amendment of Section 4.3. Effective as of the execution of this Amendment, Section 4.3 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.3 Long-Term Incentive Plan. During the Employment Term, Executive shall be eligible to participate in the Company’s then-current Long-Term Incentive Plan or any successor plan, subject to the terms of the Long-Term Incentive Plan or its successor plan, as determined by the Compensation Committee, in its discretion. In connection to the Company’s response to the COVID-19 pandemic, and with Executive’s consent, the Compensation Committee did not make any award to Executive under any Long-Term Incentive Plan or similar program for the Company’s 2020 fiscal year.”

2. Continuing Effectiveness. Except as modified by this Amendment, the Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. This Amendment shall not constitute an amendment or waiver of any provision of the Agreement not expressly referred to herein.

3. Counterparts. This Amendment may be executed in any number of identical counterparts (and by facsimile copy). If so executed, each of such counterparts is deemed to be an original for all purposes, and all such counterparts shall collectively constitute one agreement.

4. Governing Law. This Amendment, and the rights of the parties hereunder and all actions or proceedings arising in connection herewith or therewith, shall be governed by and construed and enforced in accordance with the laws of the State of Utah without regard to conflicts of laws principles thereof that would cause the application of the laws of any other jurisdiction.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Amended and Restated Employment Agreement to be executed as of the date first written above.

THE COMPANY

PROFIRE ENERGY, INC.

/s/ Ryan W. Oviatt

Ryan W. Oviatt

Co-Chief Executive Officer, Co-President

EXECUTIVE

/s/ Cameron M. Tidball

Cameron M. Tidball

Signature Page to First Amendment to Amended and Restated Employment Agreement
(Cameron Tidball)

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (this “Amendment”), dated April 30, 2021, is by and between Profire Energy, Inc., a Nevada corporation (the “Company”), and Jay G. Fugal (“Executive”).

RECITALS

WHEREAS, the parties previously entered into the Employment Agreement dated March 1, 2018 (the “Agreement”); and

WHEREAS, as permitted by the Agreement, the parties wish to modify the Agreement relating to compensation as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment of Section 4.

(a) Amendment of Section 4.1. Effective as of the execution of this Amendment, Section 4.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.1 Base Salary. The Company shall pay Executive an annual base salary (as adjusted from time to time as provided herein, the “Base Salary”) in periodic installments in accordance with the Company’s customary payroll practices and applicable wage payment laws, but no less frequently than monthly. Prior to August 31, 2020, Executive’s Base Salary had increased from \$160,000 US to \$164,800 US. In connection with the Company’s response to the COVID-19 pandemic, with Executive’s consent, effective September 1, 2020, Executive’s Base Salary was reduced to \$151,616 US and shall remain at such amount until July 1, 2021 at which time the Base Salary shall increase to \$164,800 US, provided, the compensation committee of the Board (the “Compensation Committee”) may cause such increase to occur sooner in its discretion. Generally, Executive’s Base Salary shall be reviewed at least annually by the Compensation Committee, and it may, but shall not be required to, increase Executive’s Base Salary at any time during the Employment Term.”

(b) Amendment of Section 4.2. Effective as of the execution of this Amendment, Section 4.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.2 Annual Incentive Plan. For each calendar year of the Employment Term, Executive shall be eligible to receive an annual bonus (the “Annual Bonus”), in the amount (if any) determined by the Compensation Committee in accordance with the terms and eligibility requirements of the Company’s then-current Annual Incentive Plan

or its successor plan as adopted by the Compensation Committee from time to time. In connection to the Company's response to the COVID-19 pandemic, and with Executive's consent, the Compensation Committee did not implement any Annual Incentive Plan or similar bonus program for the Company's 2020 fiscal year and no bonus was awarded to Executive for such fiscal year."

(c) Amendment of Section 4.3. Effective as of the execution of this Amendment, Section 4.3 of the Agreement is hereby amended and restated in its entirety to read as follows:

"4.3 Long-Term Incentive Plan. During the Employment Term, Executive shall be eligible to participate in the Company's then-current Long-Term Incentive Plan or any successor plan, subject to the terms of the Long-Term Incentive Plan or its successor plan, as determined by the Compensation Committee, in its discretion. In connection to the Company's response to the COVID-19 pandemic, and with Executive's consent, the Compensation Committee did not make any award to Executive under any Long-Term Incentive Plan or similar program for the Company's 2020 fiscal year."

2. Continuing Effectiveness. Except as modified by this Amendment, the Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. This Amendment shall not constitute an amendment or waiver of any provision of the Agreement not expressly referred to herein.

3. Counterparts. This Amendment may be executed in any number of identical counterparts (and by facsimile copy). If so executed, each of such counterparts is deemed to be an original for all purposes, and all such counterparts shall collectively constitute one agreement.

4. Governing Law. This Amendment, and the rights of the parties hereunder and all actions or proceedings arising in connection herewith or therewith, shall be governed by and construed and enforced in accordance with the laws of the State of Utah without regard to conflicts of laws principles thereof that would cause the application of the laws of any other jurisdiction.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Amended and Restated Employment Agreement to be executed as of the date first written above.

THE COMPANY

PROFIRE ENERGY, INC.

/s/ Ryan W. Oviatt

Ryan W. Oviatt

Co-Chief Executive Officer, Co-President

EXECUTIVE

/s/ Jay G. Fugal

Jay G. Fugal

Signature Page to First Amendment to Amended and Restated Employment Agreement
(Jay G. Fugal)

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO EMPLOYMENT AGREEMENT (this “Amendment”), dated April 30, 2021, is by and between Profire Energy, Inc., a Nevada corporation (the “Company”), and Patrick D. Fisher (“Executive”).

RECITALS

WHEREAS, the parties previously entered into the Employment Agreement dated April 30, 2019 (the “Agreement”); and

WHEREAS, as permitted by the Agreement, the parties wish to modify the Agreement relating to compensation as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment of Section 4.

(a) Amendment of Section 4.1. Effective as of the execution of this Amendment, Section 4.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.1 Base Salary. The Company shall pay Executive an annual base salary (as adjusted from time to time as provided herein, the “Base Salary”) in periodic installments in accordance with the Company’s customary payroll practices and applicable wage payment laws, but no less frequently than monthly. From the execution of the Agreement until August 31, 2020, Base Salary was \$155,000 CAD. In connection with the Company’s response to the COVID-19 pandemic, with Executive’s consent, effective September 1, 2020, Executive’s Base Salary was reduced to \$142,600 CAD and shall remain at such amount until July 1, 2021 at which time the Base Salary shall increase to \$155,000 CAD, provided, the compensation committee of the Board (the “Compensation Committee”) may cause such increase to occur sooner in its discretion. Generally, Executive’s Base Salary shall be reviewed at least annually by the Compensation Committee, and it may, but shall not be required to, increase Executive’s Base Salary at any time during the Employment Term.”

(b) Amendment of Section 4.2. Effective as of the execution of this Amendment, Section 4.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

“4.2 Annual Incentive Plan. For each calendar year of the Employment Term, Executive shall be eligible to receive an annual bonus (the “Annual Bonus”), in the amount (if any) determined by the Compensation Committee in accordance with the terms and eligibility requirements of the Company’s then-current Annual Incentive Plan

or its successor plan as adopted by the Compensation Committee from time to time. In connection to the Company's response to the COVID-19 pandemic, and with Executive's consent, the Compensation Committee did not implement any Annual Incentive Plan or similar bonus program for the Company's 2020 fiscal year and no bonus was awarded to Executive for such fiscal year."

(c) Amendment of Section 4.3. Effective as of the execution of this Amendment, Section 4.3 of the Agreement is hereby amended and restated in its entirety to read as follows:

"4.3 Long-Term Incentive Plan. During the Employment Term, Executive shall be eligible to participate in the Company's then-current Long-Term Incentive Plan or any successor plan, subject to the terms of the Long-Term Incentive Plan or its successor plan, as determined by the Compensation Committee, in its discretion. In connection to the Company's response to the COVID-19 pandemic, and with Executive's consent, the Compensation Committee did not make any award to Executive under any Long-Term Incentive Plan or similar program for the Company's 2020 fiscal year."

2. Continuing Effectiveness. Except as modified by this Amendment, the Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. This Amendment shall not constitute an amendment or waiver of any provision of the Agreement not expressly referred to herein.

3. Counterparts. This Amendment may be executed in any number of identical counterparts (and by facsimile copy). If so executed, each of such counterparts is deemed to be an original for all purposes, and all such counterparts shall collectively constitute one agreement.

4. Governing Law. This Amendment, and the rights of the parties hereunder and all actions or proceedings arising in connection herewith or therewith, shall be governed by and construed and enforced in accordance with the laws of the State of Utah without regard to conflicts of laws principles thereof that would cause the application of the laws of any other jurisdiction.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Amended and Restated Employment Agreement to be executed as of the date first written above.

THE COMPANY

PROFIRE ENERGY, INC.

/s/Ryan W. Oviatt

Ryan W. Oviatt

Co-Chief Executive Officer, Co-President

EXECUTIVE

/s/ Patrick D. Fisher

Patrick D. Fisher

Signature Page to First Amendment to Amended and Restated Employment Agreement
(Patrick D. Fisher)

EXHIBIT 31.1

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934**

I, Ryan W. Oviatt, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Profire Energy, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
-

- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2021

By: /s/ Ryan W. Oviatt
Ryan W. Oviatt
Co-Chief Executive Officer and Co-
President

EXHIBIT 31.2

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934**

I, Cameron M. Tidball, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Profire Energy, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
-

- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2021

By: /s/ Cameron M. Tidball
Cameron M. Tidball
Co-Chief Executive Officer and Co-
President

EXHIBIT 31.3

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934**

I, Ryan W. Oviatt, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Profire Energy, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
-

- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2021

By: /s/ Ryan W. Oviatt
Ryan W. Oviatt
Chief Financial Officer

EXHIBIT 32.1

**CERTIFICATION OF PRINCIPAL
EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this quarterly report on Form 10-Q of Profire Energy, Inc. (the "Company") for the period ended March 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "*Report*"), I, Ryan W. Oviatt and I, Cameron M. Tidball, Co-Chief Executive Officers of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2021

By: /s/ Ryan W. Oviatt
Ryan W. Oviatt
Co-Chief Executive Officer and Co-President

Date: May 5, 2021

By: /s/ Cameron M. Tidball
Cameron M. Tidball
Co-Chief Executive Officer and Co-President

EXHIBIT 32.2

**CERTIFICATION OF PRINCIPAL
FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this quarterly report on Form 10-Q of Profire Energy, Inc. (the "Company") for the period ended March 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "*Report*"), I, Ryan W. Oviatt, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2021

By: /s/ Ryan W. Oviatt
Ryan W. Oviatt
Chief Financial Officer