

Q1 Board of Directors Meeting

Meeting Date: May 2, 2019

Executive Summary

2019 Plan w/ Initiatives Details

Financial Review

Governance Reporting

Appendix:

- Supplemental Financial Information
- Additional Back Up Slides

Executive Summary

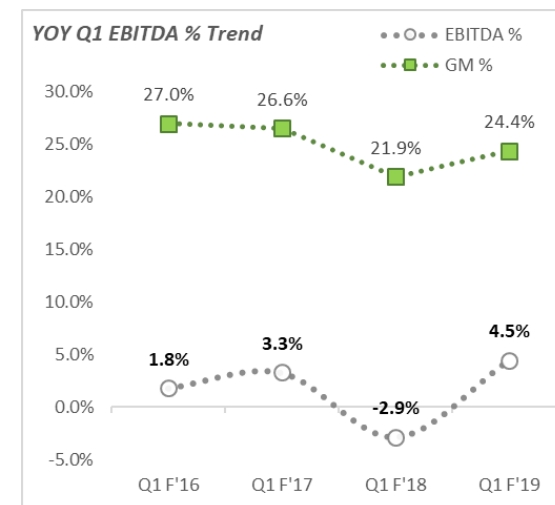


Desirable:

- Q1 EBITDA: \$1.47M (4.5% of Rev) vs. PY Q1 -\$888K (-2.9% of Rev), \$2.4M swing YOY

	Q1 F'16	Q1 F'17	Q1 F'18	Q1 F'19
EBITDA %	1.8%	3.3%	-2.9%	4.5%
GM %	27.0%	26.6%	21.9%	24.4%

- Key Drivers:
 - Variable cost control, Q1 2019 COS 75.6% vs. Q1 2018 at 78.1%
 - OPEX spend control, Q1 2019 19.9% vs. 25% in 2018 (~\$1M lower Q1 vs. Q1)
 - 2019 Q1 SG&A salaries were ~\$700K lower vs. PY Q1
- YOY Janesville output up 29%, Q1 2019: 19,298 units vs. Q1 2018: 14,961 units
- 12 month rolling backlog reached new record high of **\$93.9M/Total backlog \$100.7M**
- HX product launch continues to track, now looking at a 100% outsource model w/ Cooper
- Staffing A&D sellers, ramping capacity in Texas & California



Undesirable:

- OPEX is starting to creep back up driven by Professional Fees (need to be careful here)
- Normalized for wage rate increase (2017 JVL labor contract oversight) direct labor is up 38% vs. a revenue increase of 20% (Q1 vs. PY Q1)
 - Impact to FY 2019, hourly wage increase ~\$400K
- JVL output is up 29% YOY, but based on backlog growth we need to be better (+\$6M shipments months out of JVL coming at us)
- In April we identified the fact that Germany/EU business unit has been pricing at “cost” when rolled up (business is being priced to deliver a breakeven P&L), this has been happening for years
 - Q1 2019 EBITDA \$0K
- APAC slow start in Q1 (however not dilutive to Q1, consolidated EBITDA ~\$170K)
- Financial tools, month end close, FP&A in full rebuilding mode, have found multiple issues with the legacy team work/templates/etc.

Cost Control & Output Increase Delivering EBITDA YTD , Offsetting Price & Other Cost Creep...

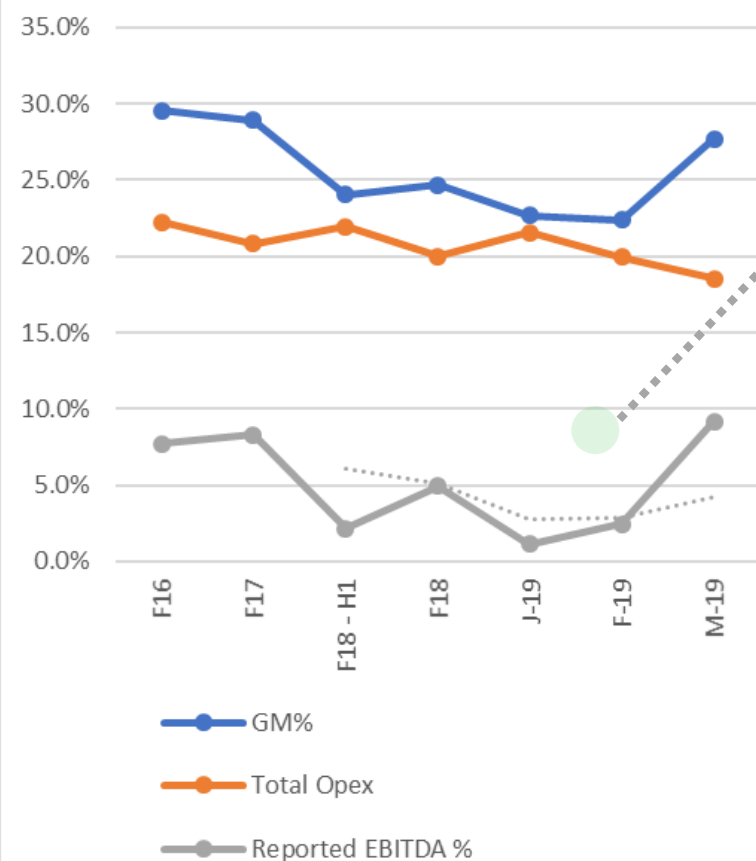
% of Revenue Trends



	2018				2019		
	F16	F17	F18 - H1	F18	J-19	F-19	M-19
GM%	29.6%	28.9%	24.0%	24.7%	22.7%	22.4%	27.7%
Total Opex	22.3%	20.8%	21.9%	20.0%	21.6%	20.0%	18.5%
Reported EBITDA %	7.7%	8.3%	2.2%	4.9%	1.1%	2.4%	9.2%

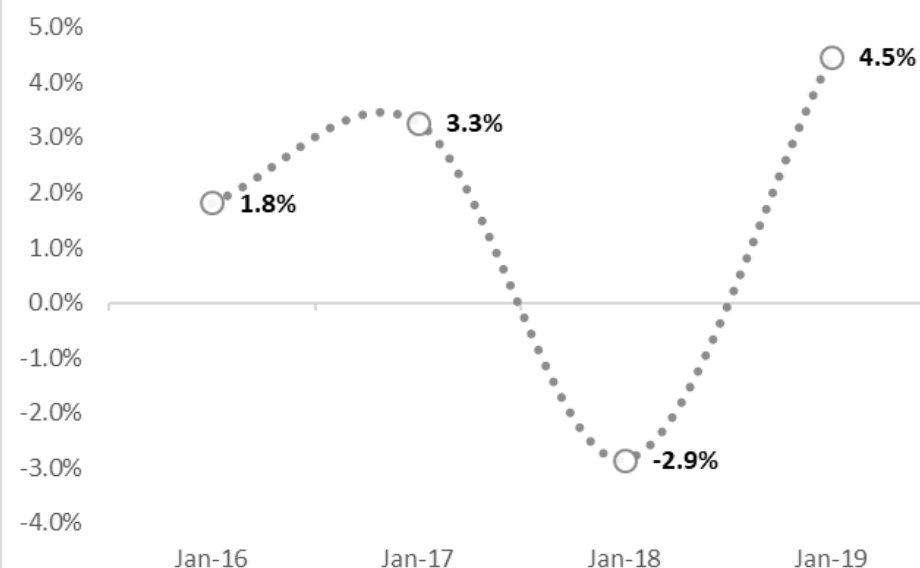
	Q1 F'16	Q1 F'17	Q1 F'18	Q1 F'19
Sales	\$27,727,454	\$29,818,148	\$31,153,497	\$33,013,644
EBITDA	\$502,995	\$976,521	(\$887,904)	\$1,476,528
	1.8%	3.3%	-2.9%	4.5%

Key % Trends - GM, OPEX, EBITDA



Total Cost of Sales	\$20,239,289	\$21,896,562	\$24,323,117	\$24,957,739
% of Total Sales	73.0%	73.4%	78.1%	75.6%
Gross Profit	\$7,488,165	\$7,921,585	\$6,830,380	\$8,055,905
% of Total Sales	27.0%	26.6%	21.9%	24.4%

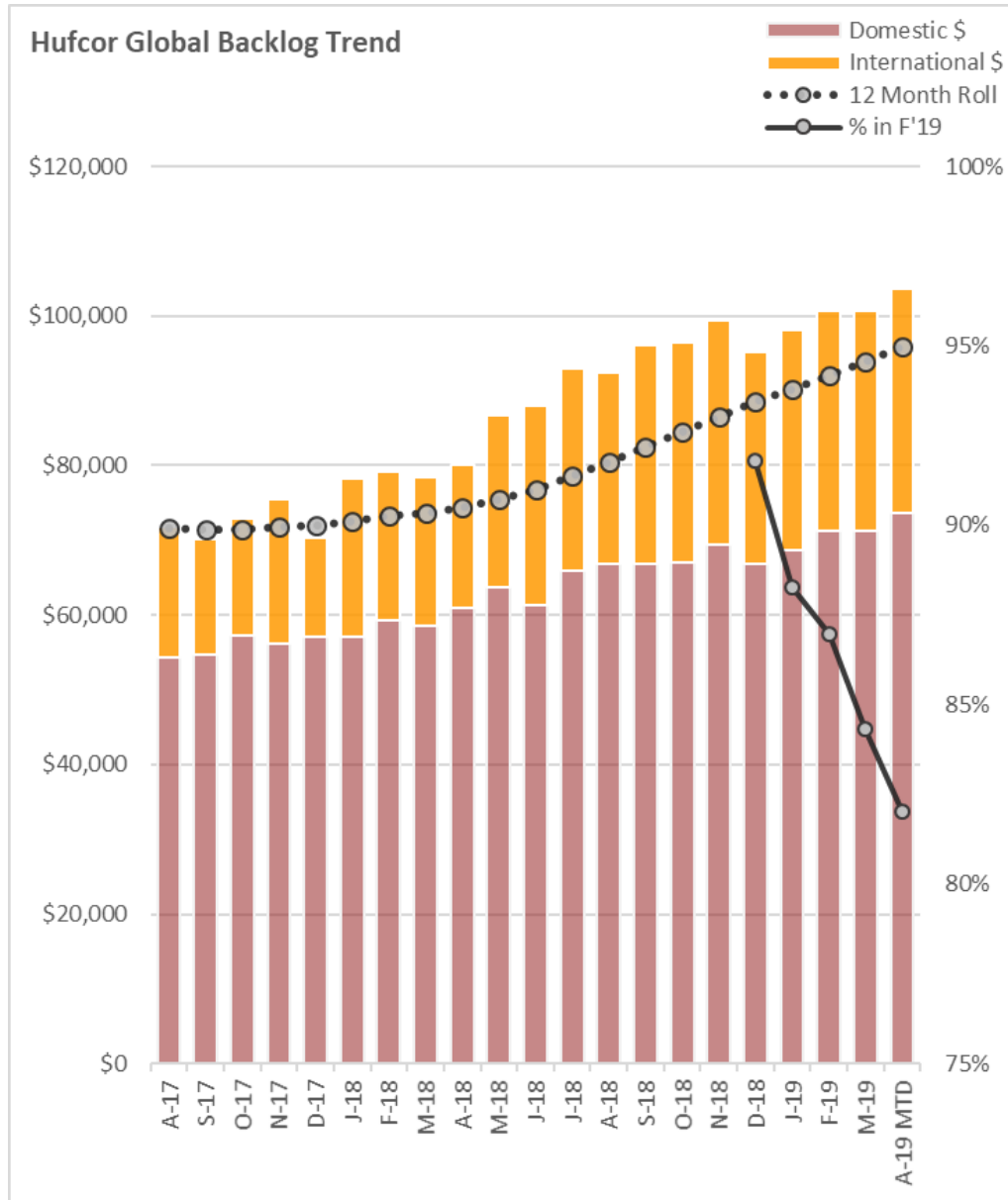
Q1 EBITDA % Trend



Q1 w/ "positive" EBITDA represents a \$2.4M swing YOY...

Compared to Historical Actuals Q1 2019 was a "Solid Start", +\$2.4M Swing vs. Q1 2018...

Global Backlog Trend



Overview:

- **Global backlog up: 28.5%**
 - Domestic: 22%
 - International: 49% (*number of large projects managed out of JVL*)
- Securement NA% change “impact”:
 - YTD: \$1.62M of incremental GM \$s
 - 65% vs. 63.4%
- Recent domestic pricing changes:
 - Service parts
 - Min. order quantity
 - Logistics
- Texas and SW Hufcor team rebuilding underway and starting to see improvements in both sales territories
- EU pricing needs a full “redo” (*see detail slide 11*)

Price Increase Has Not Slowed Down BL Trend, Strong Growth YOY...

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2019 Plan w/ Initiatives Details

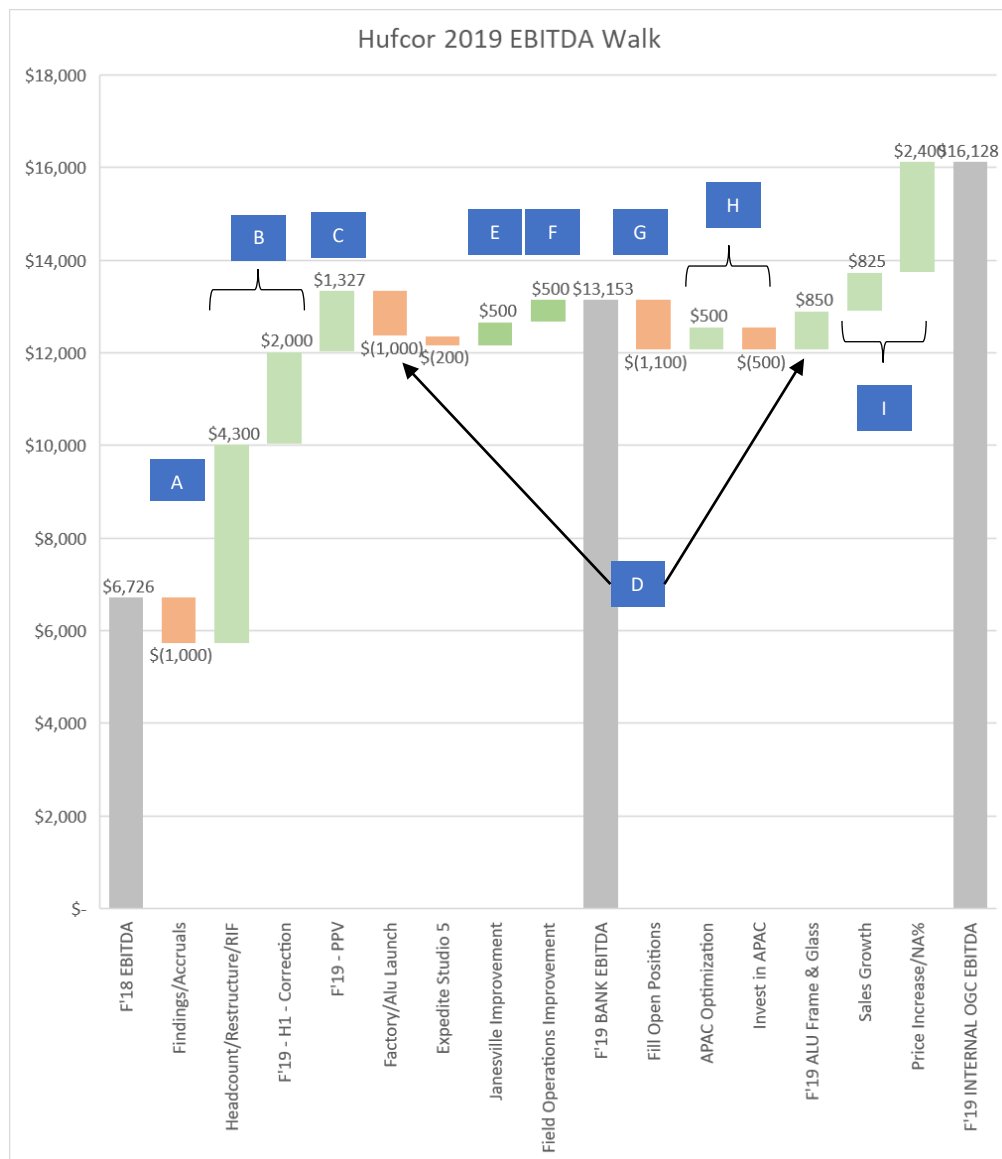
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EBITDA Bridge – 2019 (Bank + Upside Funnel of Actions)



Focus Area	Initiative	EBITDA	Owner	Status	Estimated Timing
	F'18 EBITDA	\$ 6,726			
A	Findings/Accruals	\$ (1,000)	ELT		Q42019
B	Headcount/Restructure/RIF	\$ 4,300	ELT		Complete
C	F'19 - H1 - Correction	\$ 2,000	ELT		Complete
C	F'19 - PPV	\$ 1,327	Smith/Hernandez		Q42019
D	Factory/Alu Launch	\$ (1,000)	Smith/Kontranowski		Q42018 / Q12019
D	F'19 ALU Frame & Glass	\$ 850	Smith/Kontranowski		Q42019
E	Janesville Improvement	\$ 500	Smith/Narczykiewicz		Q22019
F	Field Operations Improvement	\$ 500	Berens/Kontranowski		Q22019
G	Fill Open Positions	\$ (1,100)	Lawry		Q42019
H	APAC Optimization	\$ 500	Smith/Lawry		Q22019
H	Address Malaysia Site	\$ (500)	Smith		Q22019
	Sales Growth	\$ 825	Kontranowski		Q42019
I	Price Increase/NA%	\$ 2,400	Kontranowski		Complete
	Expedite Studio 5	\$ (200)	Kontranowski		Q42018
	Total	\$16,128			

Comments:

- 2018 YE EBITDA: \$6,726
- Built in \$1,000 of accruals for “findings”
- Primary 2018 Action (2 RIFs) – Net Impact \$4.3M
- 2018 H1 “Correction” is a combination of multiple cost cutting actions & a refocus on the “basics”
- Updated APAC Plan based on January 2019 visit
- Growth/price actions underway, Q4 2018 new prices were rolled out, PS5 – Q2, and team is refocusing on glass in 2019

2018 Actions + Initiatives Build a Funnel to \$16.1M EBITDA in 2019...

“One Pager” – Priorities for Q2 & Q3



	Maintain/Better Industry Lead-Times						Growth				Visibility		Productivity	
	1	120 Day Plan	2	JVL Readiness	3	Second Site Ramp	4	Products & Resources	5	Pricing	6	Rebuild Finance Function	7	YOY Cost Control
Description	1 – Engineers to the shop floor 2 – Receiving team process upgrade 3 – New shop floor scheduling logic 4 – Restructure Cost Team (VSM 1 st 3 rd)		1 – Cross training in critical areas (pass door, glass, lever closer, etc.) 2 – Ramp 2 nd shift 3 – Equipment TPM and overhaul		1 – Athens/Cooper 2 – Glass 3 – 600 firm orders converted to HX		1 – HX 2 – PS5 3 – Kick Off New Vertical Wall 4 – Kick Off HX w/ Built-in Flat Panel 5 – A&D Sellers 6 – Rebuild TX & CA (Field Operations)		1 – EU pricing analysis (internally done Q2 2019) 2 – Refresh USA pricing analysis (internally done in Q3 2018) 3 – Gross Margin targets for new “Mega Projects”		1 – Document month end close 2 – Rebuild 3 statement model (MS Excel) 3 – Covenant Template 4 – FP&A Basics 5 – Sage/Procore		1 – TCAR & Warranty 2 - OPEX 3 - Headcount 4 - Overtime 5 – T&E 6 – Professional Services 7 – PPV	
Executive Owner(s)	Justin Smith Koben Miceli		Kelly Lawry Justin Smith		Justin Smith		Koben Miceli Mike Kontranowski		Mike Kontranowski		Koben Miceli		Koben Miceli	
Tactical Owner(s)	Gary Southern Scott Staedter		Sherri Sorg		Jose Hernandez Mark Dean		Neal Berens Gary Southern		Zach Friedrich Steve Wolfe		Lesley Swain Neal Berens		Justin Smith Kelly Lawry	
External Support	Yes - #4		N/A		N/A		Yes - #4		Yes - #1 & #2		Yes – “All”		Yes - #1	
Bridge Impact (EBITDA)	E \$500,000				D -\$1,000,000		F \$500,000		Not in AOP \$2,400,000		N/A - Accuracy		A, B, & C \$7,600,000	

Many Initiatives Have Been Launched, Need to Stay Focused Until Sustainable & Complete...

2019 - Q2 & Q3 (Stabilize)

	Maintain/Expand Industry Lead Times			Growth		Visibility	Productivity
	1 120 Day Plan	2 HX Roadmap	3 Second Site Ramp	4 Products & Revenues	5 Pricing	6 Reduced Planning Function	7 YOY Cost Control
Description	1 - Engage to the shop floor 2 - Reopening team process upgrade 3 - New shop floor scheduling logic 4 - Restructure Cost Team (20K 3" P)	1 - Close training pass doors 2 - Ramp 2nd shift 3 - Equipment 1700 and overhaul	1 - Refurb/Capex 2 - Glass 3 - 400 firm orders converted to HX	1 - HX 2 - PS5 3 - New Vertical Wall 4 - HX w/ Built-in Flat Screen 5 - A&D Sellers 6 - Redundant TX & CA (Field Operations)	1 - HX pricing analysis (internally done Q3 2018) 2 - Refresh USA pricing analysis (internally done in Q3 2018) 3 - Comment Template 4 - FR&A Basics 5 - Sage/Procure	1 - Document month end close 2 - OPEX statement model (MS Excel) 3 - Comment Template 4 - Overtime 5 - T&E 6 - Professional Services 7 - PPV	1 - T&M & Warranty 2 - OPEX 3 - Headcount 4 - Overtime 5 - T&E 6 - Professional Services 7 - PPV
Executive Owner(s)	Justin Smith Robert Misch	Kelly Lavery Justin Smith	Justin Smith	Robert Misch Mike Kontramski	Mike Kontramski	Robert Misch	Robert Misch
Tactical Owner(s)	Gary Sullivan Scott Thacker	Shawn Long	Jose Hernandez Mark Davis	Paul Barnes Gary Sullivan	Zach Franklin Steve Wolfe	Lesley Swann Paul Barnes	Justin Smith Kelly Lavery
External Support	Yes - HX	N/A	N/A	Yes - HX	Yes - HX & HZ	Yes - SAP	Yes - HX
Bridge Impact (\$MTC)	F \$100,000	B \$2,000,000	N/A	F \$100,000	Not in ADP \$2,400,000	N/A - Accuracy	A, B & C \$2,400,000

2019 - Q4



1. SAGE/Procure Launch
2. Product Roadmap
 - HX Rest of World

Rest of 2019

2020

2020 - Q1/Q2

1. APAC Plan
2. Product Roadmap
 - Launch HX w/ flat panel
3. PS5 Rest of World

2020 - Q3/Q4



1. Product Roadmap
 - Launch new vertical wall
 - Launch demountable wall
2. Contingency Planning
 - New USA Location

Team Has a Solid Set of Initiatives Focused on Stabilization, w/ Strategy for 2020...

Distributor	Price_Overheads	Dist_Price	Delta	Mark_Up_%
V2007 - SWITZERLAND	€ 443,061.53	€ 568,592.00	€ 125,530.47	28.3%
V2060 - UKRAINE	€ 78,293.60	€ 100,371.00	€ 22,077.40	28.2%
V2054 - LATVIA	€ 43,841.83	€ 55,510.00	€ 11,668.17	26.6%
V2033 - TURKEY	€ 18,831.11	€ 22,434.00	€ 3,602.89	19.1%
V2065 - UK BUILDING Add.	€ 5,020.25	€ 5,976.00	€ 955.75	19.0%
V2015 - HUF COR UK	€ 436,700.89	€ 518,302.00	€ 81,601.11	18.7%
V2061 - SWITZERLAND M+M	€ 70,628.17	€ 82,950.00	€ 12,321.83	17.4%
V2053 - SCOTLAND	€ 171,406.24	€ 200,940.00	€ 29,533.76	17.2%
V2001 - ISRAEL	€ 469,817.25	€ 546,704.00	€ 76,886.75	16.4%
V2043 - SLOVAKIA	€ 38,417.53	€ 44,345.00	€ 5,927.47	15.4%
V2002 - HUNGARY	€ 89,173.70	€ 102,781.00	€ 13,607.30	15.3%
V2039 - LITHUANIA	€ 34,043.58	€ 39,199.00	€ 5,155.42	15.1%
V2021 - CROATIA	€ 135,420.37	€ 155,090.00	€ 19,669.63	14.5%
V2049 - NORWAY Bygg	€ 62,879.30	€ 71,579.00	€ 8,699.70	13.8%
V2005 - AUSTRIA	€ 370,078.85	€ 418,933.00	€ 48,854.15	13.2%
V2000 - FRANCE (JP)	€ 34,890.64	€ 38,900.00	€ 4,009.36	11.5%
V2029 - SLOVENIA	€ 163,680.10	€ 181,310.00	€ 17,629.90	10.8%
V2041 - FRANCE	€ 2,609,867.02	€ 2,885,290.00	€ 275,422.98	10.6%
V2056 - RUSSIA	€ 137,962.14	€ 150,917.00	€ 12,954.86	9.4%
V2059 - NORWAY GHV	€ 306,688.28	€ 334,146.00	€ 27,457.72	9.0%
V2036 - SWEDEN	€ 105,252.24	€ 113,756.00	€ 8,503.76	8.1%
V2037 - CZECH REPUBLIC	€ 270,944.09	€ 292,764.00	€ 21,819.91	8.1%
V2042 - UK EYZGLIDE	€ 698,929.88	€ 749,642.00	€ 50,712.12	7.3%
V2057 - UK-CVS	€ 23,791.93	€ 25,497.00	€ 1,705.07	7.2%
V2044 - ITALY	€ 33,958.64	€ 36,049.00	€ 2,090.36	6.2%
V2004 - BELGIUM	€ 574,017.89	€ 601,255.00	€ 27,237.11	4.7%
V2028 - ROMANIA	€ 158,640.53	€ 165,651.00	€ 7,010.47	4.4%
V2022 - DENMARK	€ 211,629.60	€ 220,583.00	€ 8,953.40	4.2%
V2026 - IRELAND	€ 156,742.13	€ 162,114.00	€ 5,371.87	3.4%
V2010 - CYPRUS	€ 11,470.47	€ 11,838.00	€ 367.53	3.2%
V2058 - BULGARIA	€ 265,228.61	€ 269,658.00	€ 4,429.39	1.7%
V2012 - GREECE	€ -	€ -	€ -	0.0%
V2041.1 - FRANCE DIS	€ -	€ -	€ -	0.0%
V2041.2 - FRANCE SAG	€ -	€ -	€ -	0.0%
V2050 - GEORGIA	€ -	€ -	€ -	0.0%
V2062 - POLAND	€ -	€ -	€ -	0.0%
V2040 - NETHERLANDS	€ 485,231.30	€ 463,189.00	€ (22,042.30)	-4.5%
V2035 - BULGARIA	€ 22,075.39	€ 21,045.00	€ (1,030.39)	-4.7%

Overview:

- Pricing calculator/model at Hufcor is dynamic and based on real time factors like the height and width of an opening (100% custom) and the product style
- It then looks at over variables RW (sound reduction index), trim, finish, and other customer driven “features” to determine a “cost”
- Then the system applies a “mark up” (cost plus logic) to cover the cost of running the EU business unit and generate profit
 - This “mark up logic” has not been changed in years***
- Then the calculator applies the distributor discount off of MSRP – 86% of the sales were discounted +50%
- The outcome being a gross/net sales logic that when compared to cost drive the actual gross margin \$

Type	Price_Overheads	Dist_Price	Delta	Mark_Up_%
G3000	€ 119,364.08	€ 215,183.00	€ 95,818.92	80.3%
100K_ESS	€ 51,366.51	€ 64,358.00	€ 12,991.49	25.3%
100-EI60	€ 53,151.57	€ 66,475.00	€ 13,323.43	25.1%
100_ESS	€ 750,519.67	€ 921,722.00	€ 171,202.33	22.8%
100-EI30	€ 282,774.79	€ 344,895.00	€ 62,120.21	22.0%
moViSTA	€ 263,485.77	€ 289,152.00	€ 25,666.23	9.7%
100	€ 6,256,687.87	€ 6,744,996.00	€ 488,308.13	7.8%
100K	€ 961,264.82	€ 1,010,529.00	€ 49,264.18	5.1%

The pricing calculator is very dependent on type/features to drive “mark up”...

For Years EU Has Been Pricing at “Cost” in Many Markets (After Factoring in Distributor “NA%”)...

2019 New Price List Overview - Domestic

I: \$3.0M



Panels	Markup	Disc	Margin
630 Trimmed panels all Heights	1.9531	20%	36%
630 Untrimmed panels all Heights	2.1552	20%	42%
640 Trimmed panels to 24ft 3	2.1552	20%	42%
640 Untrimmed panels to 24ft 3	2.2727	20%	45%
640 Trimmed or Untrimmed > 24ft 3	2.2727	20%	45%
Pocket doors to 24 ft Trimmed	2.1552	20%	42%
Pocket doors to 24 ft Untrimmed	2.2727	20%	45%
Pocket doors to 40 ft Trimmed or Untrimmed	2.2727	20%	45%
Summit Vertical Wall	2.0833	20%	40%
GU Ultra Glasswall	2.4038	20%	48%
GF InVista Glasswall	3.1250	20%	60%
GT Timber Frame Glasswall	2.5000	20%	50%
GL Trimless Glasswall	2.5000	20%	50%
Accordion Doors	2.5000	20%	50%

Track Non-Discountable	Markup	Disc	Margin
All Operable Wall and Glasswall Tracks	1.5625	0%	36%
Summit Vertical Wall Tracks	1.6667	0%	40%
Unispans	2.0000	0%	50%
Unispan Stacks	2.0000	0%	50%
Accordion	2.0000	0%	50%

Specials	Markup	Disc	Margin
PVRS - Discountable	2.0833	20%	40%
PVRS - Tracks and Non-Discountable	1.6667	0%	40%

*Accordion doors changed from 42% to 50%

02/05/19

Overview:

- The Q4 NA% reduction was purely a “stop gap” to slow the bleeding while the team prepares for the PS5 launch in 2019
- Since Q4 2018 a cross functional team has been:
 - Rerolling standard costs
 - Taking existing projects and applying the new “pricing” to compare w/ the old NA discounting to ensure we have accurate cost/price assumptions
 - Comparing win/loss data to dial in pricing to be inline with market expectations

Other Changes:

- Track will no longer be discounted
- PVRs & custom engineering will be “priced” to drive margin vs. done for “free”

- The 2018 Q4 NA/Price Change is driving better securements for 2019...***
- New pricing converts to a “standard” discount off MSRP with the launch of PS5...***
- Executive LT will still be able to influence the 20% the discount on certain projects based on strategic considerations...***

Team Has Been Comparing Existing Projects to “New Pricing” to Ensure Accuracy...

Domestic Market (ABI > 50)

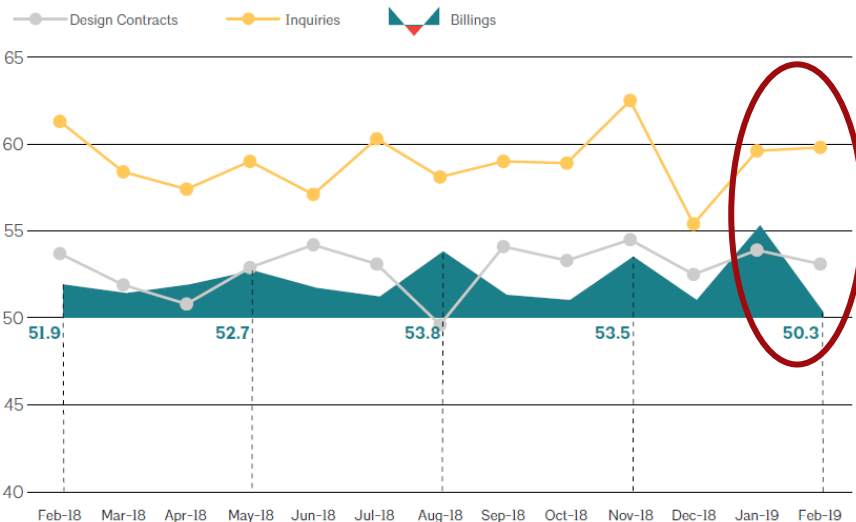
I: \$3.0M



National

Firm billings level off in February after January surge

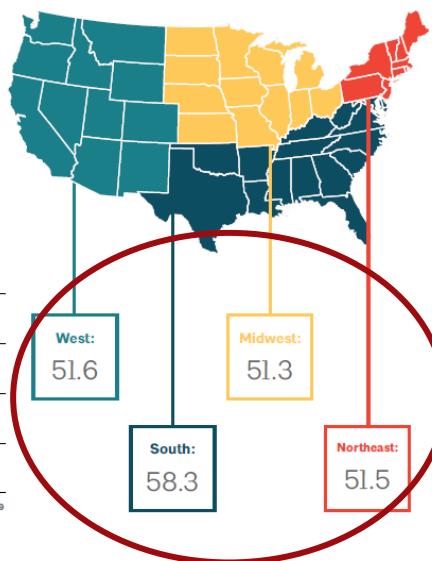
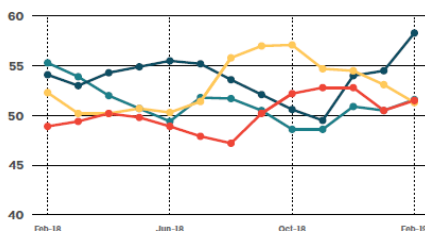
Graphs represent data from February 2018–February 2019.



Regional

Firms in South report strong growth in billings; other regions seeing modest gains

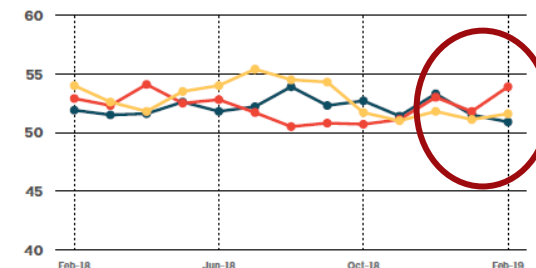
Graphs represent data from February 2018–February 2019 across the four regions. 50 represents the diffusion center. A score of 50 equals no change from the previous month. Above 50 shows increase; Below 50 shows decrease. 3-month moving average.



Sector

Commercial/industrial firms report accelerating growth in February

Graphs represent data from February 2018–February 2019 across the three sectors. 50 represents the diffusion center. A score of 50 equals no change from the previous month. Above 50 shows increase; Below 50 shows decrease. 3-month moving average.



Strong growth continues, but warning signs emerging

The US economy closed out the year with 2.6 percent growth in GDP for the fourth quarter of last year at a seasonally adjusted and annualized rate, bringing overall growth for the year to 2.9 percent. This growth rate matched 2015, and was last exceeded in 2005 during the economic boom preceding the Great Recession. Of particular significance was business investment, which increased 6.2 percent in the fourth quarter and 7.0 percent for the year.

While 2018 ended on an upswing, 2019 has started out a bit slower. Payroll employment increased in February by just 20,000 positions nationally on net, coming on the heels of an unexpectedly large gain of 311,000 positions in January. Still, this two-month pace annualizes to a gain of almost two million net new jobs for the year, below the growth of the past few years but still a respectable level. Construction employment also was weak in February, with a decline of 31,000 payroll positions for the month, the first monthly decline in almost three years. In spite of a weak month for employment, the national unemployment rate fell to 3.8 percent in February.

With some mixed signals in terms of the strength of the economy at present, it's probably not surprising that consumer and business sentiment scores are moving in different directions at present. After a weak January reading, consumer sentiment has seen strong gains in February and March, with current readings on par with the strong confidence levels of the past few years. Consumers are likely feeling comfortable with the relatively strong labor market, wages that are finally beginning to accelerate, and subdued levels of inflation in the economy. Businesses seem more concerned with our economic prospects, particularly the emerging international slowdown. Business confidence scores trended down throughout 2018 according to the Conference Board's quarterly [Measure of CEO Confidence](#), with the score in the fourth quarter at its lowest level in over six years.

Strong growth continues...

PartitionStudio™

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SIGN IN

Wall Configurator

Identity Product Room Faces Track **Panels**

Panel Options

RESET

Panel	Type	Hinging	Width	
<input type="checkbox"/> 01	LCP	SPL	45.875	
<input type="checkbox"/> 02	BSC	TPR	45.875	
<input type="checkbox"/> 03	BSC	SPL	45.875	
<input type="checkbox"/> 04	BSC	TPR	45.875	
<input type="checkbox"/> 05	IPD-U	SPL	48.125	
<input type="checkbox"/> 06	BSC	TPR	48.125	

WIDTH

HEIGHT

TRAIL DIM.

LEAD DIM

Trail Deducts: 6"

Factoring: 11/16" per Panel

Lead Deducts: 1"

Total Factoring: 3 1/2"

Viewing: SideB

SIDE 'A' SIDE 'B' FIT TO PAGE

Series: 632 • Opening Width: 24'-1" • Opening Height: 12'-0" • Gross Track: 0 • Gross Panels: 0

Partition Studio (PS5):

- Fully operational website April 8th for start of Sales School Training
- Customer Service validation April 12 (2 weeks of testing)

HX Programming being incorporated

- Working through data and changes with descriptor builder code and freight planning out of Athens
- Materials / Colors / Constructions still being developed

Resources

- Continue to work with Advansys on coding, onboarding/skill set ramp period took longer than expected
- Prioritizing internal Hufcor JVL resources to focus only on PS5 while managing through old PS4 actions that arise

No significant change from Feb, focus is on meeting end April launch dates...

Draft "Not Final" - Internal Confidential

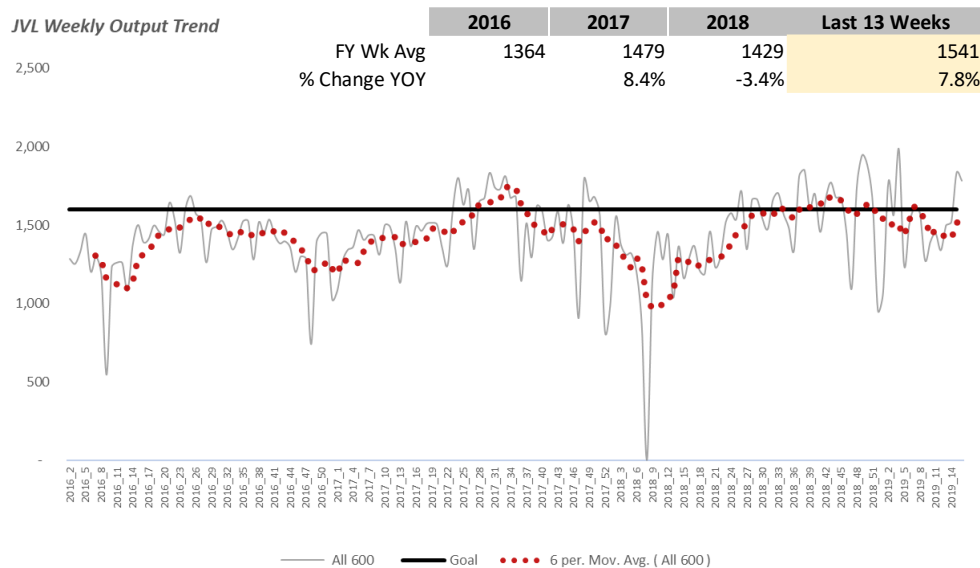
13

Janesville Improvement: 120 Action Plan

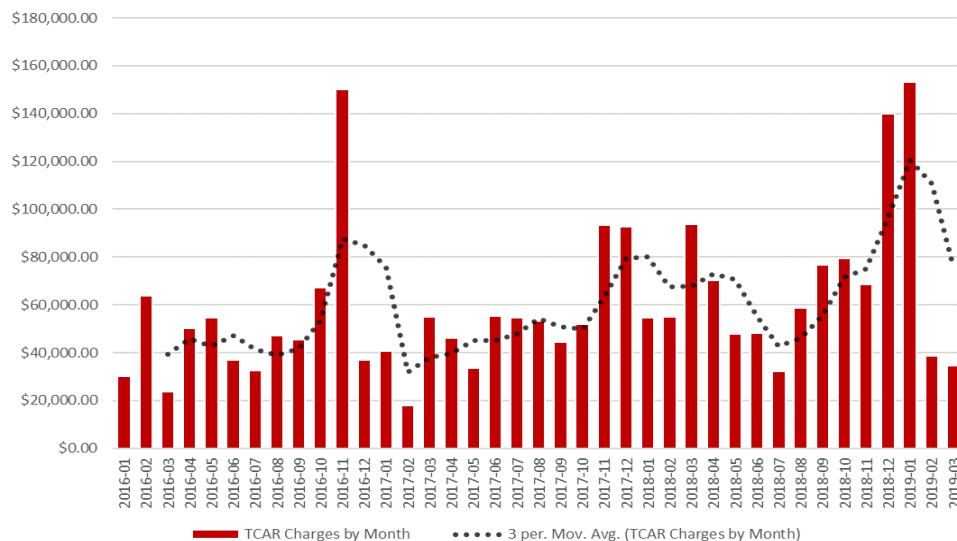
E: \$500K



JVL Weekly Output Trend



TCAR Charges by Month



Output:

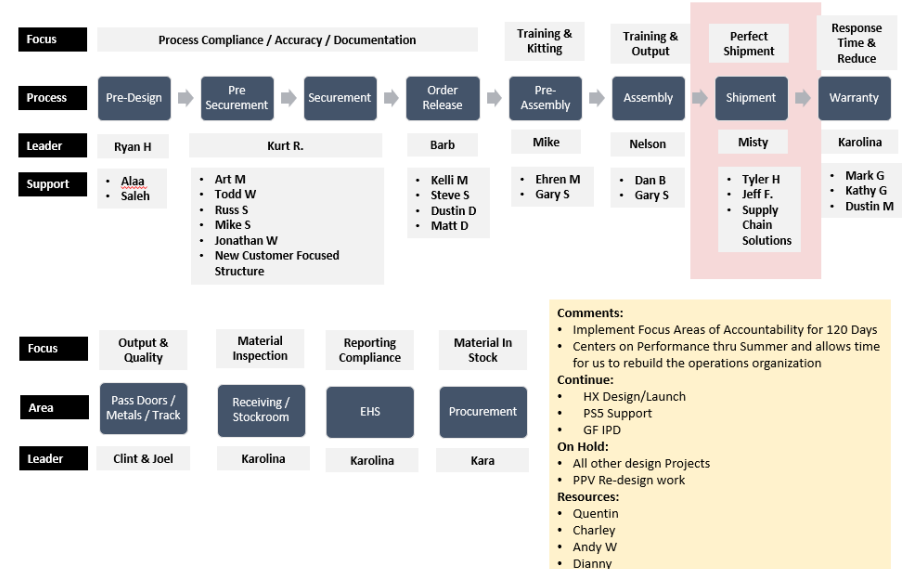
- YOY Janesville output up 29%, Q1 2019: 19,298 units vs. Q1 2018: 14,961 units
- Last 13 weeks higher than average output past 3 years
- 2nd shift ramping up
- Working action plan on equipment upgrades

TCAR/Warranty:

- Continues to improve vs. Nov/Dec spike
- More detail on next page

Comments:

- “Kicked Off” 120 Action Plan for Summer Ramp Up
- Focus on shipping as the choke point
- Engineering staff reallocated to the shop floor
- Divided up value stream into smaller scopes of responsibility to drive greater accountability



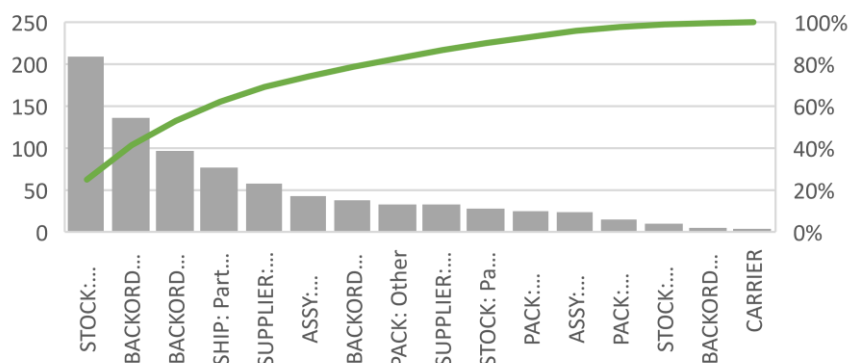
120 Day Action Plan Initiated for Summer Ramp Up...

Janesville Improvement: TCAR

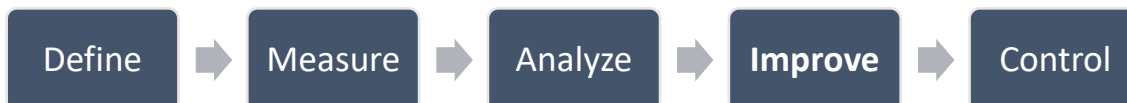
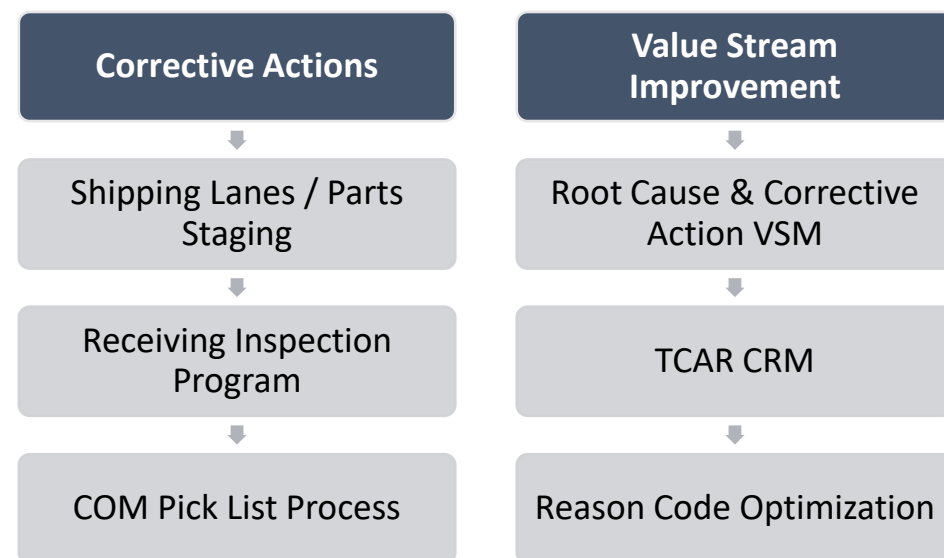


A pareto analysis yielded clear areas of focus to target in the Shipping, Stock Room, Receiving, and Assembly areas; corrective actions and process improvements established to mitigate errors and enhance TCAR process

TCAR Detail 2018-Feb2019



Error	Count
STOCK: Customer did not receive parts	209
BACKORDER: Pass Doors	136
BACKORDER: Part(s) out of stock	97
SHIP: Parts left off truck	77
SUPPLIER: Defective part	58
ASSY: Manufacturing error	43
BACKORDER: Handles	38
PACK: Other	33
SUPPLIER: Damaged part	33
STOCK: Pack List or BOM errors	28
PACK: Damage due to pkg	25
ASSY: Missing part/step	24
PACK: Loading/Unloading	15
STOCK: Coded incorrectly	10
BACKORDER: Glass	5
CARRIER	4

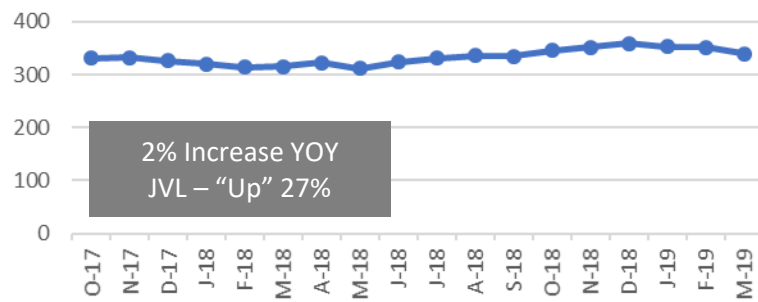


F'19 H1 Correction & Headcount – ELT (Miceli)

B: \$6.3M



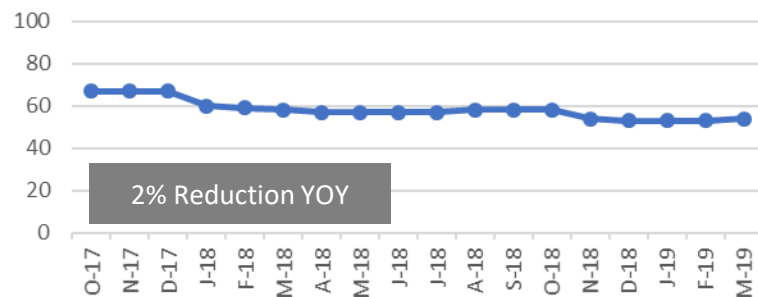
Hourly HC - Global



YTD:

- Solid HC control YOY and for Q1
 - 19% reduction in SG&A
 - 2% in global hourly/factory HC
 - JVL +27%
 - ~\$80 reduction in overtime in JVL Q4 vs. Q1
- Adding back SG&A in select regions and functions

Engineering & Customer Support



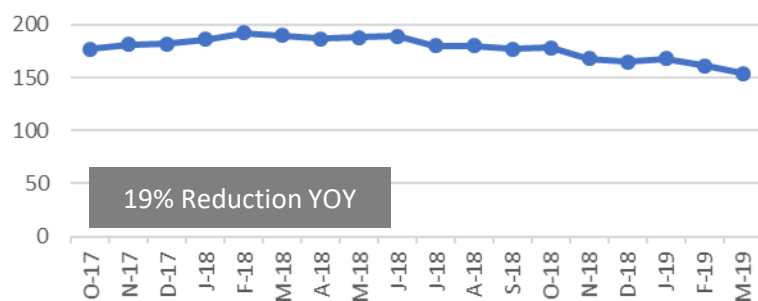
F'19 H1 Correction: \$2M

- OPEX Cost Controls Implemented in H22018 resulting in \$4M annual savings, \$2M will roll over into 2019
- SG&A Costs, T&E, All Controllable Spend, OT, Manufacturing Overhead etc.

Headcount Reduction/Restructure/RIF: \$4.3M

- 74% Direct FTEs
 - Global Factory Output +35% on ~7% Increase in FTEs (OT Normalized to FTEs), Absolute HC Flat
- YTD Indirect Actions:
 - Round 1 - August
 - 17 Employees
 - Savings \$1.9M (Net)
 - Round 2 - October
 - 22 Employees
 - Savings \$2.4M (Net)

Global SG&A



Net \$4.3M Cost Out (+90% in NA) Run-Rate On Track, SG&A HC Down 19% YOY...

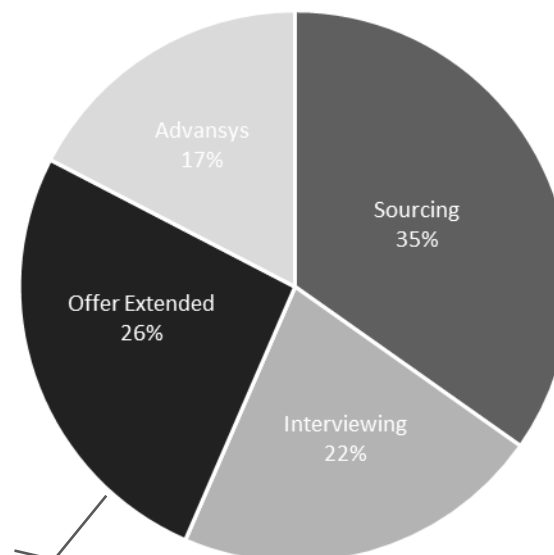
Fill Open Positions - Lawry

G: \$(1.1)M



Key Status / Actions:

- Filled 6 positions and have 6 extended offers since March MOR
- Sales
 - A&D Seller – Midwest (Filled) & FL/East (Offer Extended)
 - TX (Sales Rep & Estimator) – Offer Extended
 - TX (Service Sales Rep) – Filled
 - CA (Sales Rep & Estimator) – Filled
 - CA (Service Sales) – Offer Extended
- Operations
 - Production/Shipping Supervisors - Interviewing
 - Manufacturing Engineers - Interviewing
- Advansys:
 - BIM – Final Interviews
 - AR/AP Support – Offer Accepted (5/19/19)
 - Contracts Admin – Final Interviews



6 Offers Extended
(start dates within
3 weeks)

Function	Open Reqs	Filled Reqs	Status	Status Notes
Engineering	1	0	○	1 (JVL)
HR / Finance	1	1	●	1 (JVL - Payroll/HR - Offer Extended)
Installation	2	0	○	2 (FL - Interviewing)
IT	1	0	○	1 (JVL - Interviewing)
Operations	6	0	○	1 (JVL - 3 Prod/Ship Sup, 2 ME, Driver - Interviewing)
Project Management	1	0	○	1 (CA)
Sales	2	2	●	2 (TX & CA - Offer Extended)
Sales - A&D	2	2	●	2 (FL/East & TX - Offer Extended)
Service	3	1	◐	1 (TX - Offer Extended); 2 CA

Focusing on Upgrading Talent and Staffing to Drive Growth...

Action Item	Jan 2019	Feb 2019	Mar 2019	F19 Q1 Act
Aluminum thru US suppliers	\$ 7	\$ 7	\$ 7	\$ 20
Steel (Mkt Price)	\$ 21	\$ 21	\$ 21	\$ 62
Machined Parts vendor change	\$ 3	\$ 3	\$ 3	\$ 10
JVL Parts - Suspension Brackets to KANDU	\$ -	\$ -	\$ -	\$ -
JVL Parts - carrier assy - Alpha Plastics	\$ -	\$ -	\$ -	\$ -
Glass move to TrueLite	\$ 2	\$ 3	\$ 3	\$ 7
Hufcor Guangzhou Sourcing	\$ 6	\$ 6	\$ 6	\$ 18
Total YTD 2019 PPV JVL				\$ 117
Australia	\$ 9	\$ 12	\$ 28	\$ 48
Germany	\$ 15	\$ 15	\$ 15	\$ 45
Hong Kong	\$ -	\$ -	\$ -	\$ -
China	\$ 11	\$ 5	\$ (1)	\$ 15
Malaysia	\$ -	\$ -	\$ -	\$ -
Total Global PPV				\$ 225

F'19+ Actions:

- **Aluminum Extrusion to APAC: \$257K By Q3 2019**
- **Direct Price Reduction with NA Aluminum supply base \$50K**
- **Second source in NA for Steel, Paint Steel, Glass and Vinyl Q22019**
- **Supplier development for Metal Fab and Machine Parts Make/Buy Q12019**
- **Gypsum second supplier develop from LCC and distribution in USA Q22019**
- **Direct Supplier negotiations strategy with global supplier via discount letter Q12019**
- **Steel mill direct negotiations for carbon steel for Hufcor low gage material Q12019**
- **Barymat for HX product reducing 60% of the material cost**

Action Item	F'19 Fcst	F'19 AOP	Var vs. AOP
Aluminum thru US suppliers	\$ 79	\$ 50	\$ 29
Steel (Mkt Price)	\$ 250	\$ 168	\$ 81
Machined Parts vendor change	\$ 41	\$ 32	\$ 9
JVL Parts - Suspension Brackets to KANDU	\$ 25	\$ 22	\$ 3
JVL Parts - carrier assy - Alpha Plastics	\$ 40	\$ 88	\$ (48)
Glass move to TrueLite	\$ 26	\$ 1	\$ 25
Hufcor Guangzhou Sourcing	\$ 73	\$ 97	\$ (24)
Total YTD 2019 PPV JVL	\$ 534	\$ 459	\$ 75
I-Tech Change over	\$ 150	\$ 375	\$ (225)
Steel (Mkt Price)	\$ 100	\$ 100	\$ -
Machined Parts vendor change	\$ 40	\$ 35	\$ 5
Plastic Extrusions Parts	\$ 25	\$ 25	\$ -
Gyp-Panel Ray	\$ 37	\$ 37	\$ -
Welded parts - find local source	\$ 45	\$ 35	\$ 10
Move from Omnova to Color Design	\$ 15	\$ 33	\$ (18)
Change reveal Track design	\$ 25	\$ 25	\$ -
Adhesive - vendor change	\$ 69	\$ 20	\$ 49
Glass move to TrueLite	\$ 19	\$ 19	\$ -
GL/GF/GT - new vendor in TX	\$ 20	\$ 20	\$ -
2019 JVL PPV	\$ 1,079	\$ 1,183	\$ (104)
Australia	\$ 193	\$ 157	\$ 36
Germany	\$ 180	\$ 87	\$ 93
Hong Kong	\$ 20	\$ 39	\$ (19)
China	\$ 59	\$ 15	\$ 44
Malaysia	\$ 10	\$ 21	\$ (11)
Total Global PPV	\$ 1,541	\$ 1,502	\$ 39

\$225K Savings Q12019, Action Plan To Drive \$1.5M in 2019, 2nd “Source” Key Focus of 2019 to Create Leverage...

Objectives:

- Open additional North America Manufacturing Footprint (Athens, GA)
- Launch HX Series Product and Standardize Glass Globally
 - Phase 1, 2019: USA
 - Phase 2, 2020+: Germany & APAC

Updates:

- 1st Glass Order Complete and Shipping in May
- Cooper pricing matrix complete
- Actively Working Conversion of 600 Series Orders to HX
 - First target is JWC job for a job in Whitewater, WI – converted 640 series to HX, will use this for marketed purposes as well

Assumptions:

- Long Term expecting to cannibalize ~60% of current volume on 600 Series
- Able to Manufacture up to 9m (~93% of business)
- Margin: 45%
- Capacity in Athens can produce at similar qty as JVL
- Utilize A&D Sellers to drive HPL new sales growth
- Only Domestic Sales in the forecast
- Pricing similar or slightly more than current 640
- ROI: <1.5 Years

Investment: \$1.28M (USA), Spend to date: ~\$1.00M

~22% Cost Savings With New HX Series, Projecting 4-6 Week Lead Times...



Executive Summary

2019 Plan w/ Initiatives Details

Financial Review

Governance Reporting

Appendix:

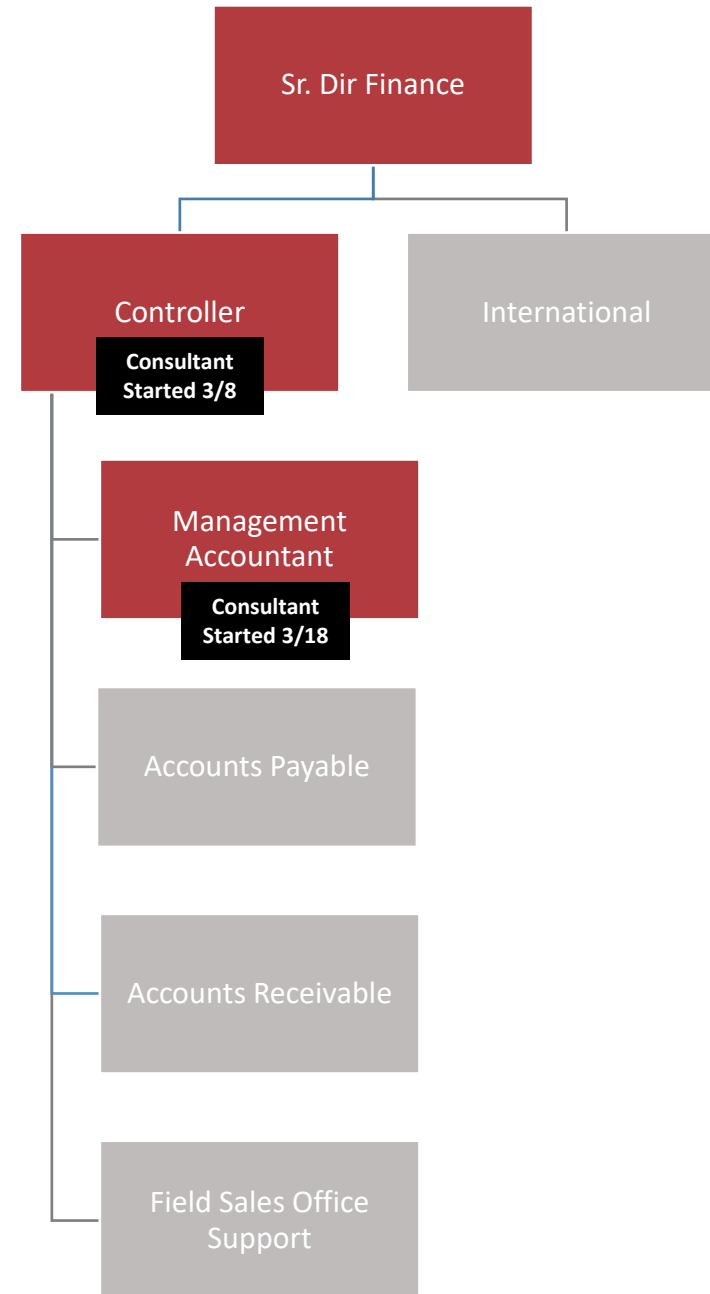
- **Supplemental Financial Information**
- **Additional Back Up Slides**

Finance Organization – Current Coverage

Current State:

- Sr. Director Finance
 - Onboard
- Controller (Robert Half)
 - Started: 3/8
- Management Accountant (Robert Half)
 - Started 3/18

Next 30 day focus is on documentation of current state and locking down month end close process, will quickly convert some of the Robert Half Consulting resources to continuous improvement...



Consolidated Summary P&L



\$'000	MTD		Variance		PY MTD		Variance		YTD			PY YTD	
	Act	Bud	\$	%	Act	\$	%		Act	Bud	%	Act	%
Gross Revenue	\$ 11,865	\$ 10,898	\$ 967	8.9%	\$ 11,532	\$ 333	2.9%		\$ 33,014	\$ 32,694	1.0%	\$ 31,153	6.0%
Net Revenue	11,865	10,898	967	8.9%	11,532	333	2.9%		33,014	32,694	1.0%	31,153	6.0%
Material	3,724	3,674	50	1.4%	4,156	(432)	(10.4%)		11,075	12,022	(7.9%)	11,492	(3.6%)
Labor	3,733	3,322	411	12.4%	3,296	437	13.3%		10,528	9,966	5.6%	9,810	7.3%
Other COGS	1,118	955	163	17.1%	1,139	(20)	(1.8%)		3,355	2,866	17.1%	3,021	11.0%
Total COGS	8,576	7,951	625	7.9%	8,591	(15)	(0.2%)		24,958	24,854	0.4%	24,323	2.6%
Gross Margin	3,289	2,947	342	11.6%	2,941	348	11.8%		8,056	7,840	2.8%	6,830	17.9%
Gross Margin %	27.7%	27.0%			25.5%				24.4%	24.0%		21.9%	
R&D	—	—	—	N/A	—	—	N/A		—	—	N/A	—	N/A
Sales & Marketing	1,132	1,267	(134)	(10.6%)	1,304	(172)	(13.2%)		3,285	3,800	(13.5%)	3,810	(13.8%)
Administrative	1,136	995	141	14.2%	1,362	(225)	(16.5%)		3,388	2,985	13.5%	3,987	(15.0%)
Other Opex	(71)	(3)	(68)	1961.7%	(17)	(54)	311.5%		(94)	(10)	807.8%	(78)	19.7%
Total Opex	2,198	2,258	(61)	(2.7%)	2,649	(451)	(17.0%)		6,579	6,775	(2.9%)	7,718	(14.8%)
EBITDA	1,091	688	403	(58.5%)	292	799	273.7%		1,477	1,065	(38.6%)	(888)	(266.3%)
EBITDA %	9.2%	6.3%			2.5%				4.5%	3.3%		(2.9%)	
Net Income (Loss)	\$ 119	\$ (194)	\$ 313	161.5%	\$ (434)	\$ 553	127.5%		\$ (1,489)	\$ (1,336)	(11.4%)	\$ (3,407)	56.3%
Capex	\$ 15	\$ —	\$ 15		\$ 106	\$ (91)			\$ 1,537	\$ —		\$ 439	250.4%

Revenue:

- Revenue \$967k higher than AOP and \$333M ahead of February and also \$31k higher than Q1 2018.

GM/COGS:

- Overall March GM better by \$348k over PY MTD. 27.7 vs 25.5% AOP. Tracking very closely with AOP for the month as well as the YTD with an increasing trend upwards.

OPEX:

- Overall OPEX for March is less than AOP by \$61k – continuing the positive variance trend for the quarter.
- Contributors to the variance to AOP are material costs by \$347k and freight in by \$87k MoM.

EBITDA:

- Total EBITDA is at \$1.091M and \$403k ahead of AOP and nearly \$1.2M ahead of PY.

P&L by Location - Domestic



	Janesville	RVTC	Chicago	Indiana	Minnesota	Potomac	Southeast	Southwest	Texas	Total Domestic
Gross Revenue	5,960,877	433,889	519,929	91,155	476,028	297,214	1,489,230	536,849	1,167,333	7,711,273
Net Revenue	5,960,877	433,889	519,929	91,155	476,028	297,214	1,489,230	536,849	1,167,333	7,711,273
Material	2,653,725	0	278,434	62,899	289,477	133,215	875,866	290,471	696,631	2,260,659
Labor	1,560,235	50,316	125,987	8,945	99,551	75,316	226,775	93,865	212,442	2,453,432
Other COGS	267,004	265,987	7,330	1,608	-1,717	11,235	70,086	16,614	66,574	704,721
Total COGS	4,480,964	316,303	411,751	73,452	387,311	219,766	1,172,727	400,950	975,647	5,418,812
Gross Margin	1,479,913	117,586	108,178	17,703	88,717	77,448	316,503	135,899	191,686	2,292,461
<i>Gross Margin %</i>	24.83%	27.10%	20.81%	19.42%	18.64%	26.06%	21.25%	25.31%	16.42%	29.73%
R&D	0	0	0	0	0	0	0	0	0	0
Sales & marketing	230,325	0	67,620	12,271	45,485	47,806	133,500	95,574	86,430	719,011
Administrative	530,007	10,553	23,331	3,032	8,878	12,103	49,063	58,136	63,813	758,916
Other Opex	-52,346	0	0	0	0	0	0	316	-24	-52,054
Total OPEX (excl D&A)	707,986	10,553	90,951	15,303	54,363	59,909	182,563	154,026	150,219	1,425,873
EBITDA	771,927	107,033	17,227	2,400	34,354	17,539	133,940	-18,127	41,467	866,588
<i>EBITDA Margin %</i>	12.95%	24.67%	3.31%	2.63%	7.22%	5.90%	8.99%	-3.38%	3.55%	11.24%

P&L by Location – International & Consolidated



	HK/Macau	China/Shanghai	Malaysia/Singapore	Australia Consol	Europe	Total Int'l	CONSOLIDATED
Gross Revenue	738,737	567,719	262,655	1,600,793	1,161,511	4,153,263	11,864,536
Net Revenue	738,737	567,719	262,655	1,600,793	1,161,511	4,153,263	11,864,536
Material	209,506	198,547	125,495	600,263	518,864	1,463,493	3,724,152
Labor	286,167	117,281	50,477	477,389	348,595	1,279,909	3,733,341
Other COGS	46,999	178,854	28,695	118,199	40,995	413,742	1,118,463
Total COGS	542,672	494,682	204,667	1,195,851	908,454	3,157,144	8,575,956
Gross Margin	196,065	73,037	57,988	404,942	253,057	996,119	3,288,580
<i>Gross Margin %</i>	26.54%	12.86%	22.08%	25.30%	21.79%	23.98%	27.72%
R&D	0	0	0	0	0	0	0
Sales & marketing	52,212	28,543	25,471	192,402	114,796	413,424	1,132,435
Administrative	66,333	44,552	46,474	161,775	58,298	377,432	1,136,348
Other Opex	-3,250	740	-11,573	1,741	-6,632	-18,974	-71,028
Total OPEX (excl D&A)	115,295	73,835	60,372	355,918	166,462	771,882	2,197,755
EBITDA	80,770	-798	-2,384	49,024	86,595	224,237	1,090,825
<i>EBITDA Margin %</i>	10.93%	-0.14%	-0.91%	3.06%	7.46%	5.40%	9.19%

Covenant Analysis



\$'000	Jan-19 Actual	Feb-19 Actual	Mar-19 Actual
Fixed Charge Coverage Ratio (JP Morgan Chase- Monthly and LBC Credit Partners- Quarterly)			
Net Income (Loss)	\$ (961)	\$ (647)	\$ 119
Bank EBITDA Calculation:			
Interest and amortization	344	347	358
Taxes	(7)	43	19
Depreciation and amortization	494	495	495
Monitoring fees (including expenses)	250	18	-
Gain/loss on disposition of assets	-	-	-
FX gain/loss	(6)	16	48
<i>Non-recurring items:</i>			
Inventory write-offs < \$320k in total	-	-	-
A/R write-offs < \$1.3mm in total	64	127	98
Warranty claim payments: Mystic Lake < 400k	-	-	-
Warranty claim payments: Non- Mystic Lake < 625k	-	-	-
<i>Total non-recurring items</i>	<u>64</u>	<u>127</u>	<u>98</u>
Bank EBITDA	\$ 178	\$ 399	\$ 1,189
Less:			
Unfinanced CAPEX	245	117	100
Cash income and franchise taxes	(7)	43	19
Cash Monitoring fees (including expenses)	-	18	-
Numerator	\$ (60)	\$ 221	\$ 1,070
Fixed Charges:			
Cash Interest	300	301	311
Regularly scheduled principal payments	209	-	-
Capital Lease payments	3	3	3
Total Fixed Charges	\$ 512	\$ 304	\$ 314
TTM Numerator	4,390	5,329	6,161
TTM Fixed Charges	4,410	4,464	4,480
Fixed Charge Covenant Ratio	1.00	1.19	1.38
Required			1.00 x
Leverage Ratio (LBC Credit Partners- Quarterly)			
Total Debt for Leverage Calculation	\$ 40,397	\$ 42,975	\$ 43,739
TTM Bank EBITDA	\$ 7,009	\$ 7,986	\$ 8,872
Leverage Ratio	5.76	5.38	4.93
Required			*NR

*Not required until December 31st, 2019 pursuant to section 2.9 (ii) of the 2nd amendment to the Term Loan Credit Agreement and Waiver

Balance Sheet



\$'000	Dec-18	Jan-19	Feb-19	Mar-19		Variance	
	Act	Act	Act	Act	Bud	\$	%
Current Assets							
Cash and cash equivalents	\$ 2,668	\$ 2,930	\$ 2,754	\$ 1,577	\$ 3,500	\$ (1,923)	(54.9%)
Short term investments	—	—	—	—	—	—	N/A
<i>Accounts receivable, gross</i>	36,879	35,130	36,910	34,436	30,936	3,499	11.3%
<i>Accounts receivable, reserves</i>	(1,407)	(1,455)	(1,545)	(1,629)	—	(1,629)	N/A
Accounts receivable, net	35,472	33,675	35,365	32,807	30,936	1,871	6.0%
<i>Inventory, gross</i>	13,393	14,553	15,308	15,388	11,799	3,589	30.4%
<i>Inventory, reserves</i>	(298)	(243)	(253)	(264)	—	(264)	N/A
Inventory, net	13,095	14,310	15,055	15,124	11,799	3,325	28.2%
Prepaid expenses and other current assets	1,666	1,832	1,728	1,591	1,718	(127)	(7.4%)
Current portion of deferred taxes	5,559	5,612	5,579	5,583	5,797	(214)	(3.7%)
Other current assets	261	285	331	222	—	222	N/A
Total Current Assets	58,721	58,644	60,813	56,904	53,750	3,154	5.9%
Non-Current Assets							
<i>Property, plant & equipment, gross</i>	36,262	36,688	37,895	38,006	37,901	105	0.3%
<i>Accumulated depreciation</i>	(22,835)	(23,108)	(23,208)	(23,334)	(22,835)	(499)	2.2%
Property, plant & equipment, net	13,427	13,580	14,687	14,673	15,066	(393)	(2.6%)
<i>Identifiable intangible assets, gross</i>	15,231	15,247	15,236	15,238	8,694	6,544	75.3%
<i>Accumulated amortization</i>	(5,523)	(5,870)	(6,215)	(6,561)	—	(6,561)	N/A
Identifiable intangible assets, net	9,707	9,377	9,022	8,677	8,694	(17)	(0.2%)
Deferred financing cost	1,950	1,906	1,955	1,908	1,903	5	0.3%
Other non-current assets	3,719	3,723	2,705	2,703	2,696	7	0.3%
Total Non-Current Assets	28,804	28,585	28,368	27,961	28,359	(398)	(1.4%)
Total Assets	\$ 87,524	\$ 87,230	\$ 89,181	\$ 84,864	\$ 82,109	\$ 2,756	3.4%
Current Liabilities							
Current portion of long-term debt	\$ 835	\$ 1,250	\$ 835	\$ 835	\$ 835	\$ —	0.0%
Line of Credit	7,832	10,203	11,382	9,458	7,311	2,147	29.4%
Accounts payable	13,527	12,385	12,453	10,618	8,208	2,410	29.4%
Accrued liabilities	6,224	6,054	6,682	6,363	6,493	(129)	(2.0%)
Accrued compensation	2,121	1,508	1,551	1,662	—	1,662	N/A
Income taxes payable	129	83	113	129	260	(131)	(50.3%)
Other current liabilities	2,721	2,630	2,911	2,895	2,011	884	44.0%
Total Current Liabilities	33,389	34,112	36,789	32,416	25,117	7,299	29.1%
Long-term liabilities							
Long-term debt less current maturities	31,730	31,521	31,521	31,521	31,521	0	0.0%
Deferred income taxes	46	47	68	96	45	52	115.9%
Other non-current liabilities	46	48	47	(111)	49	(160)	(325.3%)
Total Long-Term Liabilities	31,822	31,616	31,636	31,507	31,615	(108)	(0.3%)
Total Liabilities	65,211	65,728	68,425	63,923	56,732	7,191	12.7%
Shareholders' Equity							
Common stock	—	—	—	—	—	—	N/A
Capital in excess of stated value	36,350	36,350	36,350	36,350	36,350	—	0.0%
Retained earnings	(14,038)	(14,999)	(15,646)	(15,377)	(11,784)	(3,593)	30.5%
Accumulated other comprehensive income	47	512	521	521	47	474	1009.2%
Other equity transactions	(46)	(361)	(460)	(553)	764	(1,316)	(172.4%)
Total Shareholders' Equity	22,313	21,501	20,756	20,942	25,377	(4,435)	(17.5%)
Total Liabilities and Shareholders' Equity	\$ 87,524	\$ 87,230	\$ 89,181	\$ 84,864	\$ 82,109	\$ 2,756	3.4%

Management Discussion

March

A/R, Net:

- A/R net balance decreased \$2.6M due to strong collections in the US of \$9.8M

Inventory:

- Inventory stayed flat MoM

AP:

- Based on strong receivable collections A/P balance was reduced \$1.8M from February.

Total Debt:

- Based on the topics above, line of credit balance decreased \$1.9M

Q1 2019

Inventory:

- Inventory is up \$2M from Q4 2018

AP:

- Based on strong collections, A/P aging balance was reduced by \$2.9M from December

Total Debt:

- WC decreased \$.8M as the balance in the line of credit increased \$1.6M since December

OPEX Summary



	Jan 19	Feb 19	Mar 19				PY MTD			2019 YTD		PY YTD			
	Actual	Actual	Actual	Budget	Variance		Actual	Variance		Actual	Budget	Actual	Budget	Variance	
Payroll	1,056.64	1,022.77	1,004.46	1,194.09	(189.63)	-16%	1,287.59	(283.13)	-28%	3,083.87	3,582.27	3,708.33	3,850.14	(624.47)	-20%
Overtime	-	-	-	-	-	0%	-	-	0%	-	-	-	-	-	0%
Benefits	239.18	209.26	232.29	250.34	(18.06)	-7%	279.22	(46.93)	-20%	680.72	751.03	867.16	877.65	(186.44)	-27%
Bonus	96.09	96.08	93.29	111.87	(18.58)	-17%	139.61	(46.33)	-50%	285.45	335.60	432.53	410.57	(147.08)	-52%
Severance	-	-	-	-	-	0%	-	-	0%	-	-	-	-	-	0%
Marketing	14.76	22.41	19.17	27.86	(8.69)	-31%	45.46	(26.29)	-137%	56.33	83.58	176.13	203.10	(119.79)	-213%
Commissions	133.59	159.29	186.98	191.05	(4.07)	-2%	140.01	46.97	25%	479.86	573.14	423.92	580.88	55.94	12%
Travel and Entertainment	80.13	82.08	84.98	86.58	(1.59)	-2%	135.51	(50.52)	-59%	247.20	259.73	337.36	440.19	(90.17)	-36%
Rent and Facilities	68.39	68.82	67.21	64.88	2.33	4%	65.29	1.92	3%	204.42	194.63	194.96	187.57	9.46	5%
Insurance	35.19	42.82	35.41	31.68	3.73	12%	28.81	6.60	19%	113.42	95.05	92.12	104.31	21.30	19%
Professional Fees	77.97	75.99	109.99	69.13	40.86	59%	158.65	(48.66)	-44%	263.95	207.39	321.09	247.98	(57.15)	-22%
Utl., Repair, Maint., & Sec	28.28	38.03	37.64	34.40	3.24	9%	36.51	1.14	3%	103.95	103.21	109.95	106.56	(6.00)	-6%
Office Expenses	4.78	3.97	5.28	5.88	(0.60)	-10%	7.33	(2.05)	-39%	14.03	17.64	17.07	15.85	(3.04)	-22%
Safety and Training	-	-	-	-	-	0%	-	-	0%	-	-	-	-	-	0%
IT	55.23	57.73	58.04	47.50	10.53	22%	46.98	11.06	19%	171.00	142.51	165.87	136.69	5.13	3%
Bad Debt	64.28	127.36	98.26	11.93	86.33	724%	48.22	50.03	51%	289.90	35.78	110.34	140.70	179.56	62%
Supplies	24.84	10.23	17.34	17.51	(0.17)	-1%	18.64	(1.30)	-7%	52.40	52.53	78.52	62.02	(26.12)	-50%
FX	-	-	-	-	-	0%	11.55	(11.55)	0%	-	-	15.91	1.70	(15.91)	0%
JV Loss (Income)	-	-	-	-	-	0%	-	-	0%	-	-	-	-	-	0%
Other Expenses	187.54	197.90	147.44	113.57	33.87	30%	199.31	(51.87)	-35%	532.88	340.70	667.00	820.63	(134.12)	-25%
Total OPEX (excl D&A)	\$2,166.88	\$2,214.74	\$2,197.76	\$2,258.26	\$ (60.51)	-3%	\$2,648.66	(450.91)	-21%	\$6,579.38	\$6,774.79	\$ 7,718	\$8,186.55	(1,138.89)	-17%

Management Discussion

- **Payroll/Benefits:** Compensation expense below AOP in line with expectations
- **Bonus:** We started new bonus accruals for 2019 at 50%, in addition we are accruing 10k/month for sales push program for glass (accrued in other)
- **Bad Debt:** The bad debt negative variance to AOP is mainly driven by the intended build up to the standard accrual and some write offs in Texas
- **Professional Fees:** Will see these costs start to increase to support finance team rebuilding but in a closely monitored approach with specific parameters for scope of work

Start of the Year in Line with Expectations...

Cash Flow Statement



	MONTHLY CASH FLOW STATEMENT																		
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	FY	PY YTD	Variance		PY	Variance	
\$'000	Act	Act	Act	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Budget	Actual	\$	%	Act	\$	%
Cash flow from operations																			
Net Income (Loss)	\$ (961)	\$ (647)	\$ 119	\$ 469	\$ 469	\$ 731	\$ 467	\$ 474	\$ 484	\$ (137)	\$ (143)	\$ (140)	\$ 1,186	\$ 1,339	\$ (153)	(11.4%)	\$ (7,771)	\$ 8,957	(115.3%)
Depreciation, amortization and other	494	495	495	577	577	577	577	577	577	577	577	577	6,677	6,924	(247)	(3.6%)	6,032	646	10.7%
Capitalized fees & expenses	44	(49)	47	32	32	32	32	32	32	32	32	32	326	379	(53)	(14.0%)	457	(131)	(28.6%)
Gain (loss) on sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	14	(14)	(100.0%)
Non-cash interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Non-cash dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Deferred income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Change in operating assets and liabilities:																	\$ -		
Accounts receivable	1,774	(1,737)	2,667	(1,449)	(209)	(1,518)	(153)	(418)	(293)	525	(785)	785	(812)	(2,171)	1,359	(62.6%)	(1,266)	455	(35.9%)
Inventory	(1,216)	(745)	(69)	(1,887)	441	84	(84)	294	(128)	1,109	(136)	136	(2,200)	(337)	(1,863)	553.4%	(1,112)	(1,088)	97.8%
Prepaid expenses and other current assets	(123)	119	140	(520)	117	588	(126)	(239)	(365)	859	(137)	(54)	258	250	8	3.2%	246	13	5.1%
Accounts payable	(1,213)	322	(1,920)	916	(294)	(56)	350	294	(294)	(211)	297	(297)	(2,105)	534	(2,638)	(494.3%)	3,670	(5,775)	(157.3%)
Accrued expenses	(806)	1,596	(550)	1,294	159	(1,655)	295	733	2,463	(4,901)	734	133	(505)	(152)	(353)	231.5%	(832)	326	(39.3%)
Accrued income taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Other changes in operating assets and liabilities	(142)	9	14	-	-	-	-	-	-	-	-	-	(119)	-	(119)	N/A	139	(259)	(185.8%)
Other cash flow from operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Total Cash Flow from Operations	\$ (2,149)	\$ (637)	\$ 943	\$ (569)	\$ 1,291	\$ (1,218)	\$ 1,358	\$ 1,748	\$ 2,477	\$ (2,148)	\$ 439	\$ 1,172	\$ 2,707	\$ 6,766	\$ (4,059)	(60.0%)	\$ (424)	\$ 3,131	(738.4%)
Cash flow from investing																			
Additions to property, plant and equipment	\$ (245)	\$ (186)	\$ (111)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (542)	\$ -	\$ (542)	N/A	\$ (2,279)	\$ 1,736	(76.2%)
Acquisitions of companies, net of cash acquired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Investment in intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Earnout payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Other cash flow from investing (goodwill)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Total Cash Flow from Investing	\$ (245)	\$ (186)	\$ (111)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (542)	\$ -	\$ (542)	N/A	\$ (2,279)	\$ 1,736	(76.2%)
Cash flow from financing																			
Proceeds from the issuance (repayment) of ST	\$ 2,786	\$ 764	\$ (1,925)	\$ 1,018	\$ (1,052)	\$ 1,458	\$ (910)	\$ (1,508)	\$ (2,237)	\$ 2,596	\$ (200)	\$ (932)	\$ (141)	\$ (2,758)	\$ 2,616	(94.9%)	\$ 1,758	\$ (1,900)	(108.0%)
Proceeds from the issuance of debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Repayment of debt	(209)	-	-	(209)	-	-	(209)	-	-	(209)	-	-	(836)	(836)	0	(0.0%)	(753)	(83)	11.0%
Capital lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Common stock issued (repurchased)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Common stock cash dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Preferred stock issued (repurchased)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Other cash flow from financing costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	(0)	0	(100.0%)
Total Cash Flow from Financing	\$ 2,577	\$ 764	\$ (1,925)	\$ 809	\$ (1,052)	\$ 1,458	\$ (1,119)	\$ (1,508)	\$ (2,237)	\$ 2,387	\$ (200)	\$ (932)	\$ (977)	\$ (3,594)	\$ 2,617	(72.8%)	\$ 1,005	\$ (1,983)	(197.2%)
Effect of FX rates on cash and cash equivalents	\$ 80	\$ (117)	\$ (85)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (2,282)	\$ (1,773)	\$ (509)	28.7%	\$ 30	\$ (2,312)	(7749.6%)
Net change in cash	\$ 262	\$ (176)	\$ (1,177)	\$ (0)	\$ (1)	\$ (0)	\$ (1)	\$ (0)	\$ 0	\$ (1)	\$ (1)	\$ (1)	\$ (1,095)	\$ 1,399	\$ (2,494)	(178.2%)	\$ (1,667)	\$ 573	(34.4%)
Beginning cash	2,668	2,930	2,754	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	2,668	2,668	-	-	4,335	(1,667)	(38.5%)
Change in cash	262	(176)	(1,177)	(0)	(1)	(0)	(1)	(0)	0	(1)	(1)	(1)	(1,095)	1,399	(2,494)	(178.2%)	(1,667)	573	(34.4%)
Ending cash	\$ 2,930	\$ 2,754	\$ 1,577	\$ 3,500	\$ 3,499	\$ 3,500	\$ 3,499	\$ 3,500	\$ 3,500	\$ 3,499	\$ 3,499	\$ 3,499	\$ 3,499	\$ 3,499	\$ -	-	\$ 2,667	\$ 832	31.2%

Management Discussion

Working Capital: WC decreased \$844k for the quarter as the balance in the line of credit increased \$1.6M since December with strong collection efforts and a decrease in payables

Cash Management: A decrease in cash in March was the result of repayment to the JPM revolving line of credit and reducing outstanding A/P

13 Week Cash Forecast



\$ 000's

Week Ending:	19-Apr	26-Apr	3-May	10-May	17-May	24-May	31-May	7-Jun	14-Jun	21-Jun	28-Jun	5-Jul	12-Jul	Total
Total Inflows	2,646	2,556	2,762	2,725	2,499	2,392	2,808	3,575	2,684	2,728	2,734	2,505	2,453	35,068
Total Operating Disbursements	(2,447)	(2,847)	(2,737)	(2,675)	(2,282)	(2,415)	(2,305)	(3,589)	(2,064)	(2,489)	(2,318)	(2,842)	(1,908)	(32,919)
Net Operating Cash Flow	200	(291)	24	50	217	(23)	503	(14)	620	238	416	(336)	545	2,149
Interest Expense	-	-	48	-	-	-	-	49	-	-	-	48	-	146
Taxes	152	102	-	56	91	138	-	21	33	156	-	6	54	807
CapEx	45	20	64	20	20	20	38	64	20	20	38	20	20	409
Other Non-Op	34	5	5	5	31	5	5	5	15	5	5	5	5	129
Total Non-Operating Disbursements	231	126	117	81	142	163	43	139	68	181	43	80	79	1,491
Total Net Cash Flow	(31)	(418)	(93)	(31)	75	(186)	460	(153)	553	57	373	(416)	466	657
Beginning Bank Cash	1,322	1,270	1,345	1,056	1,221	1,096	1,272	1,427	1,399	1,281	1,442	1,334	1,480	1,322
Net Global Cash Flow	(31)	(418)	(93)	(31)	75	(186)	460	(153)	553	57	373	(416)	466	657
Transfers In / (Out)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Draw / Sweep	(21)	493	(196)	196	(201)	362	(306)	125	(671)	104	(481)	561	(251)	(285)
Ending Bank Cash	1,270	1,345	1,056	1,221	1,096	1,272	1,427	1,399	1,281	1,442	1,334	1,480	1,695	1,695
Term Loan Balance	32,774	32,774	32,774	32,774	32,774	32,774	32,774	32,774	32,774	32,774	32,774	32,564	32,564	32,564
Beginning Revolver Balance	8,489	8,473	8,965	8,780	8,976	8,775	9,137	8,832	8,986	8,315	8,419	7,938	8,522	8,489
Domestic PIK Interest	5	-	11	-	-	-	-	29	-	-	-	22	-	67
Draw / Sweep	(21)	493	(196)	196	(201)	362	(306)	125	(671)	104	(481)	561	(251)	(285)
Ending Revolver Balance	8,473	8,965	8,780	8,976	8,775	9,137	8,832	8,986	8,315	8,419	7,938	8,522	8,271	8,271
Borrowing Base	17,350	17,707	17,849	17,391	17,167	17,084	18,270	17,416	17,130	17,149	18,639	18,442	18,343	18,343
Availability	8,877	8,742	9,069	8,415	8,391	7,946	9,439	8,430	8,815	8,730	10,700	9,920	10,072	10,072
Liquidity	10,148	10,087	10,125	9,636	9,487	9,218	10,866	9,829	10,096	10,172	12,035	11,400	11,767	11,767
Total Debt	41,247	41,739	41,554	41,750	41,549	41,911	41,606	41,760	41,089	41,193	40,712	41,086	40,835	40,835

Monthly P&L



\$'000	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	FY	FY	Var		PY	Var	
	Act	Act	Act	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	\$	%	Act	\$	%
Gross Revenue	\$ 10,051	\$ 11,098	\$ 11,865	\$ 12,954	\$ 12,954	\$ 12,954	\$ 12,954	\$ 12,954	\$ 12,954	\$ 10,898	\$ 10,898	\$ 10,898	\$ 143,433	\$ 143,114	\$ 320	0.2%	\$ 137,796	\$ 5,637	4.1%
Net Revenue	10,051	11,098	11,865	12,954	12,954	12,954	12,954	12,954	12,954	10,898	10,898	10,898	143,433	143,114	320	0.2%	137,796	5,637	4.1%
Material	3,191	4,159	3,724	4,535	4,535	4,185	4,535	4,535	4,535	3,617	3,617	3,617	48,786	49,734	(948)	(1.9%)	48,075	711	1.5%
Labor	3,460	3,335	3,733	3,586	3,586	3,586	3,586	3,586	3,586	3,322	3,322	3,322	42,011	41,449	562	1.4%	42,598	(588)	(1.4%)
Other COGS	1,119	1,118	1,118	1,003	1,003	1,003	1,003	1,003	1,003	955	955	955	12,241	11,752	489	4.2%	13,102	(862)	(6.6%)
Total COGS	7,770	8,612	8,576	9,124	9,124	8,774	9,124	9,124	9,124	7,895	7,895	7,895	103,037	102,934	103	0.1%	103,776	(738)	(0.7%)
Gross Margin	2,281	2,486	3,289	3,830	3,830	4,180	3,830	3,830	3,830	3,003	3,003	3,003	40,396	40,180	216	0.5%	34,020	6,376	18.7%
Gross Margin %	22.7%	22.4%	27.7%	29.6%	29.6%	32.3%	29.6%	29.6%	29.6%	27.6%	27.6%	27.6%	28.2%	28.1%			24.7%		
R&D	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Sales & Marketing	1,068	1,085	1,132	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	14,686	15,201	(515)	(3.4%)	14,603	83	0.6%
Administrative	1,115	1,136	1,136	995	995	995	995	995	995	995	995	995	12,342	11,939	403	3.4%	12,941	(599)	(4.6%)
Other Opex	(16)	(7)	(71)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(125)	(41)	(83)	201.9%	(322)	197	(61.2%)
Total Opex	2,167	2,215	2,198	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	26,904	27,099	(195)	(0.7%)	27,223	(319)	(1.2%)
EBITDA	114	272	1,091	1,572	1,572	1,922	1,572	1,572	1,572	745	745	745	13,492	13,081	412	3.1%	6,797	6,695	98.5%
EBITDA %	1.1%	2.4%	9.2%	12.1%	12.1%	14.8%	12.1%	12.1%	12.1%	6.8%	6.8%	6.8%	9.4%	9.1%			4.9%		
Net Income (Loss)	\$ (961)	\$ (647)	\$ 119	\$ 469	\$ 469	\$ 731	\$ 467	\$ 474	\$ 484	\$ (137)	\$ (143)	\$ (140)	\$ 1,186	\$ 1,339	\$ (153)	(11.4%)	\$ (7,771)	\$ 8,957	(115.3%)
Capex	\$ 245	\$ 1,277	\$ 15	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,537	\$ —	\$ 1,537	N/A	\$ 2,279	\$ (742)	(32.6%)

Monthly EBITDA & Net Income (Loss) Bridge



\$'000	MONTHLY EBITDA TO NET INCOME (LOSS) BRIDGE												FY	FY	Var		PY	Var	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FCST	Bud	\$	%	Act	\$	%
	Act	Act	Act	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud							
EBITDA - as reported	\$ 114	\$ 272	\$ 1,091	\$ 1,572	\$ 1,572	\$ 1,922	\$ 1,572	\$ 1,572	\$ 1,572	\$ 745	\$ 745	\$ 745	\$13,431	\$13,081	\$ 351	2.7%	\$ 6,797	\$ 6,634	97.6%
Depreciation and amortization	(494)	(495)	(495)	(577)	(577)	(577)	(577)	(577)	(577)	(577)	(577)	(577)	(6,759)	(6,924)	165	(2.4%)	(6,032)	(727)	12.1%
Interest and amortization	(344)	(347)	(358)	(274)	(273)	(274)	(275)	(266)	(254)	(254)	(262)	(258)	(3,354)	(3,216)	(138)	4.3%	(3,962)	607	(15.3%)
Other financial income/expense	6	(16)	(48)	-	-	-	-	-	-	-	-	-	(10)	-	(10)	N/A	(216)	207	(95.6%)
Non-financial income/expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Monitoring fees (including expenses)	(250)	(18)	-	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(1,228)	(1,152)	(76)	6.6%	(1,100)	(127)	11.6%
Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	(1,387)	1,387	(100.0%)
Non-recurring items	-	-	(51)	-	-	-	-	-	-	-	-	-	-	-	-	N/A	(1,403)	1,403	(100.0%)
Taxes	7	(43)	(19)	(156)	(157)	(244)	(156)	(158)	(161)	45	47	46	(866)	(450)	(416)	92.5%	(469)	(397)	84.8%
GAAP Net Income (Loss)	\$ (961)	\$ (647)	\$ 119	\$ 469	\$ 469	\$ 731	\$ 467	\$ 474	\$ 484	\$ (137)	\$ (143)	\$ (140)	\$ 1,215	\$ 1,339	\$ (124)	(9.3%)	\$ (7,771)	\$ 8,986	(115.6%)

Monthly Cost of Goods Sold



\$'000	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var		PY	Var	
	Act	Act	Act	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	\$	%	Act	\$	%
Material																			
Material costs at standard	\$ 3,159	\$ 4,033	\$ 3,686	\$ 4,149	\$ 4,149	\$ 4,149	\$ 4,149	\$ 4,149	\$ 4,149	\$ 3,510	\$ 3,510	\$ 3,510	\$ 46,301	\$ 45,473	\$ 829	1.8%	\$ 46,555	\$ (254)	(0.5%)
Materials FX loss / (gain)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Purchase price variance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Freight in	33	126	39	386	386	36	386	386	386	108	108	108	2,485	4,261	(1,776)	(41.7%)	1,520	965	63.5%
Cost revision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Scrap costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Consumables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Total Material COGS	\$ 3,191	\$ 4,159	\$ 3,724	\$ 4,535	\$ 4,535	\$ 4,185	\$ 4,535	\$ 4,535	\$ 4,535	\$ 3,617	\$ 3,617	\$ 3,617	\$ 48,786	\$ 49,734	\$ (948)	(1.9%)	\$ 48,075	\$ 711	1.5%
Labor																			
Direct labor	\$ 1,087	\$ 1,028	\$ 1,197	\$ 1,106	\$ 1,106	\$ 1,106	\$ 1,106	\$ 1,106	\$ 1,106	\$ 930	\$ 930	\$ 930	\$ 12,737	\$ 12,215	\$ 522	4.3%	\$ 12,047	\$ 690	5.7%
Direct labor - bonus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Direct labor - overtime	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Direct labor - benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Direct labor - overtime	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Direct labor - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Indirect labor	734	672	754	735	735	735	735	735	735	719	719	719	8,725	8,723	2	0.0%	8,888	(163)	(1.8%)
Indirect labor - bonus	9	9	7	2	2	2	2	2	2	2	2	2	40	20	20	96.7%	37	3	7.7%
Indirect labor - overtime	59	32	42	43	43	43	43	43	43	36	36	36	500	475	25	5.3%	568	(69)	(12.1%)
Indirect labor - benefits	599	587	611	605	605	605	605	605	605	576	576	576	7,155	7,086	69	1.0%	6,893	262	3.8%
Indirect labor - other	143	103	123	(56)	(56)	(56)	(56)	(56)	(56)	38	38	38	147	(107)	254	#####	1,289	(1,141)	(88.6%)
Sub-contractor costs	829	904	1,000	1,152	1,152	1,152	1,152	1,152	1,152	1,021	1,021	1,021	12,707	13,036	(329)	(2.5%)	12,876	(169)	(1.3%)
Total Labor COGS	\$ 3,460	\$ 3,335	\$ 3,733	\$ 3,586	\$ 3,586	\$ 3,586	\$ 3,586	\$ 3,586	\$ 3,586	\$ 3,322	\$ 3,322	\$ 3,322	\$ 42,011	\$ 41,449	\$ 562	1.4%	\$ 42,598	\$ (588)	(1.4%)
Other																			
Repairs and maintenance	\$ 40	\$ 49	\$ 35	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 35	\$ 35	\$ 35	\$ 479	\$ 461	\$ 18	3.9%	\$ 474	\$ 5	1.1%
Absorption	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Freight out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Rent / facilities	140	145	142	122	122	122	122	122	122	122	122	122	1,524	1,463	61	4.2%	1,501	23	1.5%
Utilities	54	74	34	38	38	38	38	38	38	32	32	32	489	423	66	15.6%	521	(32)	(6.2%)
Other cost of sales	884	850	908	801	801	801	801	801	801	766	766	766	9,749	9,405	344	3.7%	10,606	(857)	(8.1%)
Total Other COGS	\$ 1,119	\$ 1,118	\$ 1,118	\$ 1,008	\$ 1,003	\$ 1,003	\$ 1,003	\$ 1,003	\$ 1,003	\$ 955	\$ 955	\$ 955	\$ 12,241	\$ 11,752	\$ 489	4.2%	\$ 13,102	\$ (862)	(6.6%)
Total COGS	\$ 7,770	\$ 8,612	\$ 8,576	\$ 9,124	\$ 9,124	\$ 8,774	\$ 9,124	\$ 9,124	\$ 9,124	\$ 7,895	\$ 7,895	\$ 7,895	\$ 103,087	\$ 102,934	\$ 103	3.6%	\$ 103,776	\$ (738)	(6.5%)

AR & AP Aging Detail



\$'000

AR Aging

Days	Dec-18	%	Jan-19	Feb-19	Mar-19	%
0-30	\$ 16,376	44.4%	\$17,425	\$17,585	\$17,475	50.7%
30-60	5,342	14.5%	3,956	4,976	3,758	10.9%
60-90	3,176	8.6%	2,707	3,503	2,898	8.4%
>90	11,985	32.5%	11,232	11,201	10,305	29.9%
Total Gross AR	\$ 36,879	100.0%	\$35,320	\$37,264	\$34,436	100.0%
Reserves	(1,407)		(1,455)	(1,545)	(1,629)	
Total Net AR	\$ 35,472		\$33,865	\$35,719	\$32,807	
Change in AR Reserve			(48)	(90)	(84)	
Actual Bad Debt P&L Charge			64	127	98	
LTM Bad Debt P&L Charge			\$ 520	\$ 489	\$ 462	

AP Aging

Days	Dec-18	Jan-19	Feb-19	Mar-19	%
0-30	\$10,682	\$ 9,608	\$ 9,187	\$ 7,577	70.4%
30-60	1,234	555	730	1,011	9.4%
60-90	343	640	643	477	4.4%
>90	1,268	1,498	1,475	1,705	15.8%
Total	\$13,526	\$12,301	\$12,035	\$ 10,771	100.0%

Retainage

Days	Dec-18	%	Jan-19	Feb-19	Mar-19	%
0-30	\$ 1,182	3.2%	\$ 1,197	\$ 1,182	\$ 910	2.6%
% of AR	7.2%		6.9%	6.7%	5.2%	
30-60	325	0.9%	318	325	642	1.9%
% of AR	6.1%		8.0%	6.5%	17.1%	
60-90	337	0.9%	522	337	347	1.0%
% of AR	10.6%		19.3%	9.6%	12.0%	
>90	3,037	8.2%	3,717	3,037	3,259	9.5%
% of AR	25.3%		33.1%	27.1%	31.6%	
Total Retainage	\$ 4,881	13.2%	\$ 5,754	\$ 4,881	\$ 5,158	15.0%
% of AR	13.2%		16.3%	13.1%	15.0%	

Accrued Liabilities – Current (Excluding Debt)



\$'000

Accrued Liabilities - Current (Excluding Debt)					
Account Name	Dec-18	Jan-19	Feb-19	Mar-19	%
Accrued Compensation	\$ 2,088	\$ 2,121	\$ 1,508	\$ 1,551	12.6%
Income Taxes Payable	298	129	83	113	0.9%
Customer Deposits	540	545	817	724	5.9%
Accrued Bonuses	103	307	487	679	5.5%
Accrued Insurance	1,064	800	1,034	1,271	10.3%
Accrued Commission	319	330	265	224	1.8%
Accrued Interest	512	799	260	510	4.1%
Accrued Professional Fees	359	278	202	312	2.5%
Accrued Supplier Invoices	346	302	163	195	1.6%
Transaction Cost Accrual	-	-	-	-	-
Accrued Other Non-Income Taxes	1,123	1,005	1,039	1,141	9.3%
Curr Portion Emp Retirement Plans	1,143	1,039	995	989	8.1%
Accrued Warranty	845	1,549	1,572	1,605	13.1%
All Other	2,163	1,992	1,930	2,965	24.1%
Total Accrued Liabilities	\$ 10,904	\$ 11,195	\$ 10,354	\$ 12,278	100.0%

Executive Summary

2019 Plan w/ Initiatives Details

Financial Review

Governance Reporting

Appendix:

- **Supplemental Financial Information**
- **Additional Back Up Slides**

Red flags:

- Issues with accuracy and timeliness of month end process

Ongoing Governance Activities:

- Internal Control Authority Matrix to be reviewed at Q2 2019 BOD

Action:

- New leader hired and onboarded in March, 2019, have brought in multiple consultants to augment/support the month end close process, team is currently working on documentation of existing tools and reports

Governance Matter		March & Q1 Update
a)	Requests for waivers or out-of-the-ordinary course approvals under the Internal Control and Corporate Governance Matrix, Code of Ethics or any internal control	None
b)	Any conflicts of interest or the appearance of any such conflict or potential conflict	None
c)	Any actual or apparent weakness or inadequacy in the Company's policies of internal controls and financial reporting	Yes, have found multiple reporting issues with templates and process steps as part of month end close
d)	Any reports or complaints regarding accounting, internal accounting controls or auditing matters	None

Executive Summary

2019 Plan w/ Initiatives Details

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Appendix:

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- Additional Back Up Slides

Janesville Deferred Maintenance



Item	Allowable Spend Per DMA (\$'000)	Spend By Year						Variance to Budget (\$)	Comments
		Completed in 2017	2017 % Complete	Completed in 2018	2018 % Complete	Forecast to Complete by Q3 2019	2019 Forecast % Complete		
Parking Lot Paving	\$ 815	\$ -	0%	\$ -	0%	\$ 815	100%	\$ -	In progress- Creating drawings and bidding
Termite Treatment	\$ 90	\$ 45	50%	\$ -	0%	\$ -	0%	\$ 45	Complete- Move budget balance to Parking Lot Paving
Plant Roof	\$ 1,781	\$ -	0%	\$ 1,206	68%	\$ 575	32%	\$ -	In progress- Closing out punch list items
Truck Docks	\$ 20	\$ -	0%	\$ -	0%	\$ 20	100%	\$ -	In progress- Creating scope of work
Fire Doors	\$ 100	\$ -	0%	\$ -	0%	\$ 100	100%	\$ -	In progress- Confirming scope of work with EHS profes
Wall Finishes	\$ 532	\$ -	0%	\$ 195	37%	\$ 337	63%	\$ -	In progress- Rebidding interior painting
Skylights	\$ 8	\$ -	0%	\$ -	0%	\$ 8	100%	\$ -	Complete- Included with roof scope of work
Plant Floor Concrete	\$ 300	\$ -	0%	\$ -	0%	\$ -	0%	\$ 300	In progress- Confirmed interior repairs are not needed. Move budget balance to Parking Lot Paving
Storm Drainage System	\$ 20	\$ 3	15%	\$ -	0%	\$ -	0%	\$ 17	Complete- Move budget balance to Parking Lot Paving
Condensing Units	\$ 48	\$ -	0%	\$ -	0%	\$ 48	100%	\$ -	In progress- Rebidding this SOW
Factory Space Heating	\$ 102	\$ -	0%	\$ -	0%	\$ 102	100%	\$ -	In progress- Rebidding this SOW
Distribution Panels Cleaning	\$ 15	\$ -	0%	\$ -	0%	\$ 15	100%	\$ -	Idle- Will address in Q3
EHS (remaining equipment guarding)	\$ 365	\$ -	0%	\$ 35	10%	\$ 330	90%	\$ -	Idle- Will address in Q3
Exit Signs/Lights	\$ 25	\$ -	0%	\$ -	0%	\$ 25	100%	\$ -	In progress- EHS professional defining SOW
Dust Systems	\$ 30	\$ -	0%	\$ -	0%	\$ -	0%	\$ 30	In progress- Equipment on-site needs to be installed
Total	\$ 4,251	\$ 48	1%	\$ 1,436	34%	\$ 2,375	56%	\$ 392	

- Engaging new CM to help manage cost, quality and schedule adherence
- Creating path forward on remaining items is to spend remaining funds as efficiently as possible
- Deferred maintenance budget from Mark Dunn only has 1 hard quote (EHS) items
- Budget numbers based on best guess from contractors in Columbus, GA
- Per SPA, collective savings in the individual categories can be applied to increases in others w/o approval; currently have unallocated amounts that, if not applied to the current categories or spent by 2019 deadline, would require Seller approval for spend or return to Seller/OGC based upon %'s in SPA
- Anticipate spending all amounts allowed to appropriately improve overall facility

No Portion of the \$4.2M Improves Hufcor's Bottomline, Only Repair/Replace...

Global Communication Road Map



Month	Town Halls	Field Office / Country Town Halls	Lunch & Learns	Other	Accountable	Comments	Status
January		CA Field Office Hong Kong Malaysia China		Proactive Business Update with Key Distributors	K. Miceli / J. Smith K. Miceli / J. Smith K. Miceli / J. Smith K. Miceli / J. Smith K. Miceli / M. Kontranowski		✓ ✓ ✓ ✓ ✓
February			JVL - Marketing & Engineering JVL - Operations & Large Projects Dept JVL - Finance, IT & HR	Global LT Monthly Update	K. Miceli / J. Smith K. Miceli / J. Smith K. Miceli / J. Smith K. Miceli	Post MOR/BOD meetings cascading results	✓ ✓ ✓ ✓
March				Global LT Monthly Update	K. Miceli		✓
April		Germany	Germany - Key Employees	Global LT Monthly Update	K. Miceli / J. Smith K. Miceli / J. Smith K. Miceli	Post MOR/BOD meetings cascading results	✓ ✓ ✓
May		FL Field Office	FL - Key Employees	Proactive Business Update with Key Distributors Global LT Monthly Update	K. Miceli / M. Kontranowski K. Miceli K. Miceli / M. Kontranowski K. Miceli	Post MOR/BOD meetings cascading results	
June				Global LT Monthly Update	K. Miceli	Post MOR/BOD meetings cascading results	
July		TX Field Office	TX - Key Employees	Global LT Monthly Update	K. Miceli / M. Kontranowski K. Miceli K. Miceli	Post MOR/BOD meetings cascading results	
August	Global Janesville Germany Australia Hong Kong China Malaysia				K. Miceli K. Narczykiewicz R. Lehmann G. Sauer W. Chiang S. Wong A. Teoh		
September		Chicago Field Office	MN/IL/IN - Key Employees	Proactive Business Update with Key Distributors Global LT Monthly Update	K. Miceli / M. Kontranowski K. Miceli / M. Kontranowski K. Miceli K. Miceli	Post MOR/BOD meetings cascading results	
October		Australia China Malaysia	Australia, China, Malaysia - Key Employees	Global LT Monthly Update	J. Smith / K. Lawry J. Smith / K. Lawry J. Smith / K. Lawry J. Smith / K. Lawry K. Miceli	Post MOR/BOD meetings cascading results	
November		Germany Cairo	Germany - Key Employees Advansys / Cairo - Key Employees	Global LT Monthly Update	K. Miceli / K. Lawry K. Miceli / K. Lawry K. Miceli / K. Lawry K. Miceli / K. Lawry K. Miceli	Post MOR/BOD meetings cascading results	
December		Potomac Field Office	MD - Key Employees	Proactive Business Update with Key Distributors Global LT Monthly Update	K. Miceli / M. Kontranowski K. Miceli / M. Kontranowski K. Miceli / M. Kontranowski K. Miceli	Post MOR/BOD meetings cascading results	

Starting in 2018, High Touch Communication Plan Across Multiple Levels...

2019 Focus on 5



	1 - Team Centric	2 - Safety	3 - Quality	4 - Delivery	5 - Cost/Growth
Macro	<ul style="list-style-type: none"> High "Say Do" Ratio "One Hufcor" 	<ul style="list-style-type: none"> Safety First 5S Maturity 	<ul style="list-style-type: none"> Right "First" Time Bias for Action 	<ul style="list-style-type: none"> World Class Lead Times "Perfect Order" 	<ul style="list-style-type: none"> Focus on GM% New Products & Globalization
Detail Focus Areas	<ul style="list-style-type: none"> a. Performance Management Process b. Development Plans c. X-Training d. Organizational Design e. Goal Alignment f. Global Standard Work Development g. Town Halls h. Quarterly Lunch & Learns (L&L) 	<ul style="list-style-type: none"> a. RIR / First Aid Pareto & Action Plan b. 5S c. Consistent Policies d. Management System: <ul style="list-style-type: none"> a. High Hazard b. LOTO c. Job Site d. Confined Space e. Environmental Compliance 	<ul style="list-style-type: none"> a. Standard Work Adherence b. ISO Certifications c. Poka-Yoke d. Scrap e. Correct Tools/Equipment f. Right First Time Delivery to Jobsite 	<ul style="list-style-type: none"> a. PFEP <ul style="list-style-type: none"> a. SKU Rationalization b. Level Load c. Lean Mgmt System d. Global Standard BOM <ul style="list-style-type: none"> a. Part "reuse" b. SKU naming convention e. Warm Start Focus f. Customer Service Excellence g. Project Management Excellence h. NA Growth Readiness 	<ul style="list-style-type: none"> a. Strategic Procurement (PPV) & Dual Sourcing b. Gross Margin reporting at: SKU / Project c. Product Line Expansion <ul style="list-style-type: none"> a. Alu Frame, Glass, Demountable b. Optimize Vertical Wall d. Global PS5 & Price e. APAC Optimization f. Advansys Partnership
Reactive KPI(s)	<ul style="list-style-type: none"> Absenteeism < 15% Staffing Cycle Time, < 60 days for prof., < 30 days for union G&O 100% Completion Mid Year/End of Year 100% Completion L&L Quarterly and Town Hall 2x/year 100% Complete 	<ul style="list-style-type: none"> RIR: 50% Reduction to 4.9 Lost Time: 0 	<ul style="list-style-type: none"> TCAR Reduction 24 Hour Response Time (Calls and E mails) Customer Feedback In field Service Warranty \$ Reduction 	<ul style="list-style-type: none"> +90% OTD Past Due \$s below \$100K (average) Past Due Aging – Below 30 Days 24 Hour Response Time (Calls and E mails) Project Schedule Fidelity Increase Output X% at each location 	<ul style="list-style-type: none"> EBITDA - \$16M (12.9% of sales) Direct Mat'l: 33.4% of Sales Manf. O/H: 18.5% of Sales Opex: 17.5% of Sales GM% - +31% Launch Standard Glass in NA, GER & AUS Q1 Launch AL Frame NA & GER Q1 Launch PS5 & Price Book Q12019
Proactive KPI(s)	<ul style="list-style-type: none"> 100% Completion of Cross Training Plan for critical roles within each function High "Say - Do" Ratio 	<ul style="list-style-type: none"> Safety Concern(s) Closed: +1,000 globally Global 5S Score Maturity by YE: 3 	<ul style="list-style-type: none"> Warranty Trending 	<ul style="list-style-type: none"> S&OP Launch Inventory +90% "Green" per PFEP Inventory Accuracy: +98% SQDC Operating Mechanisms Weekly Sales & Securement Op Mech (Internal + Distributors) 	<ul style="list-style-type: none"> PPV: +\$3M Dual Source +50% of Critical Spend OT - Below \$350K
Stretch Goal(s)					<ul style="list-style-type: none"> Revenue \$150M+ Glass Sales: +\$20M Globally

Goals Aligned Cross Functionally & Globally = "One Hufcor"...

Successes

- Set auto-lock on domain-joined client computers and laptops to 10 minutes
- Set all user accounts to comply with the password policy – many hadn't changed their network/email passwords in years
- Secured all publicly accessible websites with SSL Certificates
- Closed security holes related to Azure and PS5 – security score started at 43% and is now at 91%
- Many additional security flaws have been found and resolved once accurate data was received

Challenges

- Lack of IT staff has delayed all desired improvements due to the amount of day-to-day work of keeping the facility operational from an IT standpoint
- Several projects that were thought to be completed were not
- Time constraints from a management and planning perspective
- Inability to update the servers (both physically and from a software standpoint) is delaying several of the initiatives

Actions/Next Steps (vs. Duff & Phelps Recommendations):

Complete:

1. Email encryption verified by 9/30/2018 – completed
2. Set computer auto-lock for 10 minutes on all user assigned computers by 12/31/2018 – completed
3. MDM tested and setup by 1/31/2019 – completed

Open:

1. Schedule Cybersecurity awareness training by 8/30/2019
2. Develop project plan for server upgrades and domain consolidations that will allow us to backup the BitLocker keys to Active Directory and block removeable media on all shop and general use PCs – 9/30/2019
3. Develop Business Continuity & Disaster Recovery Plan by 11/30/2019.