OPENGATE CAPITAL

OPENGATE CAPITAL PARTNERS I, LP
OPENGATE CAPITAL PARTNERS I-A, LP

ANNUAL REPORT
December 31, 2019

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MANAGEMENT REPORT

April 1, 2020

Dear Partners:

Special Message Regarding COVID-19

As the global pandemic continues to unfold, we remain committed to the well-being of the OpenGate team and our global portfolio of investments. Thankfully, everyone at the firm is well, and while working remotely in accordance with our contingency and disaster recovery plan, we remain focused on our work as your partner.

The financial stability of our investments, including the safety and well-being of the thousands of employees dedicated to the operations of our businesses around the world is a top priority for us. In February of 2020, COVID-19 situation analysis was incorporated into our portfolio review program, and in early March we directed management of all portfolio companies to reduce non-essential spending and hiring, to identify secondary supply chain sources, and plan for employees to work from home where feasible. I am very proud to report that the Operations Team at OpenGate is driving extraordinary measures across our portfolios to mitigate the impact of the pandemic and have developed a COVID-19 Crisis Guide. Our Operations Team is working closely with portfolio company management on efforts to stabilize operations, production levels, cash management, and other critical business areas.

OpenGate Capital remains steadfast in its ability to navigate through periods of economic turbulence. Our investments are underwritten with downside risk scenarios, and we are experienced in sourcing unique opportunities during economic downturns. While there is little doubt that there will be negative economic consequences globally, and potentially within our funds' portfolios, we are confident that we will manage through this challenging time.

Enclosed please find our Annual Report for the year ending December 31, 2019 and accompanying financial statements, which are now presented as combined financial statements for Fund II and IIA to present a clearer picture.

2019 was a year of tremendous discipline and activity for OpenGate. We completed 11 transactions including buy and sell-side activity, closed our second institutional fundraise, began fully deploying our OGx operational capability across select investments, and we realized our first Fund I investment in Power Partners for a Gross MOIC of 2.8x.

At the firm level, OpenGate made several strategic new hires including Damian Blazy, Principal and Vinay Menon, Vice President, both serving on our North American Operations Team. We developed a new intiative, OGCulture, which is focused on programs to support the growth of our employees and contribute to the communities in which we operate.

From all of us at OpenGate Capital, we thank all of our investors for the continued support and trust. We send our best wishes to you and your families during these challenging times and hope that you are all well.

ANDREW NIKOU
Founder & Chief Executive Officer

PORTFOLIO COMPANY REPORT

As of December 31, 2019, there are eight portfolio companies in the OpenGate Capital Partners I & I-A Fund. Highlights of each investment's current value* are listed below.

- REALIZATION: Power Partners:
  Acquired: January 16, 2016
  Realized: November 22, 2019
  - Gross MOIC: 2.8x
  - Total Value: $40.3 million*

* Note that PPI's valuation is based on (i) the net sales proceeds received, plus (ii) escrowed amounts for working capital and indemnity retention, less (iii) unpaid expenses and taxes. It does not include an additional $300k we received in 2020 as part of the working capital adjustment. Proceeds from the sale of PPI were distributed to investors in January 2020.

- Bois & Matériaux: March 7, 2016
  - Valuation: 574.67% of Remaining Equity
  - Total Value: $92.6 million

- ENERGI Fenestration Solutions: March 31, 2016
  - Valuation: 185.00% of Remaining Equity
  - Total Value: $37.1 million

- Alfatherm: June 30, 2016
  - Valuation: 40.00% of Cost
  - Total Value: $11.4 million

- EverZinc: November 25, 2016
  - Valuation: 209.01% of Cost
  - Total Value: $125.7 million

- Hufcor: September 1, 2017
  - Valuation: 85.00% of Cost
  - Total Value: $30.0 million

- Mersive Technologies: December 15, 2017
  - Valuation: 200.00% of Remaining Equity
  - Total Value: $72.6 million

- Stove Investment Holdings: February 28, 2018
  - Jøtul Valuation: 179.22% of Cost
  - Total Value: $41.0 million

  - Ravelli / AICO Valuation: 43.37% of Cost
  - Total Value: $7.9 million

- Fichet Security Solutions: December 3, 2018
  - Valuation: 121.05%
  - Total Value: $11.3 million

* COVID-19 in subsequent events:
In December 2019, a novel strain of coronavirus (COVID-19) was reported in Wuhan, China. In 2020, the World Health Organization declared the outbreak to constitute a pandemic. The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the Partnership's portfolio companies will depend on certain developments, including the duration and spread of the outbreak, impact on the portfolio companies' customers, employees and vendors, all of which are uncertain and cannot be predicted. Unless otherwise indicated, all information included in these financial statements is as of December 31, 2019 and you should not assume that valuations of investments or other matters are current as of any later date. The extent to which COVID-19 may impact the Partnership's financial results is uncertain, but could be material, and the Partnership will continue to evaluate any potential impact.

Investment Date:	January 16, 2016	**Invested Capital:**	$14.4 M	**Gross IRR:**	31.7%
Exit Date:	November 22, 2019	**Realized Value:**	$0.0 M	**Gross MOIC:**	2.8x
Acquirer:	Strategic	**Remaining Unrealized Value:**	$40.3 M		
		Total Value:	$40.3 M *		

* Note that PPI's valuation is based on (i) the net sales proceeds received, plus (ii) escrowed amounts for working capital and indemnity retention, less (iii) unpaid expenses and taxes. It does not include an additional $300k we received in 2020 as part of the working capital adjustment. Proceeds from the sale of PPI were distributed to investors in January 2020.

Company Description

Business Summary Power Partners Inc. ("PPI") manufactures overhead, round tank, and submersible distribution transformers and adsorption chillers to customers in the US, Mexico and in the Caribbean. PPI's products are used in a variety of applications including power lines, factories, airbrake systems in railcars, carbon-neutral buildings, retail stores, businesses, and in the construction of steel framed buildings. Long term customers include many of the larger utility companies in the United States and other industrial businesses.

Headquarters Athens, Georgia USA
Active Employees 352
Management Koben Miceli – CEO
Justin Smith - COO

Recent Developments

- On 11/22/2019 OpenGate capital completed the sale of Power Partners to Mill Point Capital, a NY-based private equity firm
- The sale represents the first full realization of our Fund I's portfolio, with PPI being the first Fund I investment
- From an investment perspective, Power Partners more than tripled EBITDA - growing from low, single-digits to more than $10 million in less than four years
- Through the partnership between OpenGate and the management team, Power Partners implemented manufacturing improvements, stabilized production and delivery processes, developed a new, pad-mount product which has opened up a completely new market, and built a full independent sales team
- Power Partners is a testament to our firm's integrated strategy, sourcing a proprietary investment opportunity, acquiring the business at the right value, executing on our operational turnaround strategy, and crystallizing the value we created through this exit

Financial Summary ($ in millions) (EBITDA does not include one-time transaction and deal fees)*

	LTM	Quarter Ended			At
	09/30/19	09/30/18	09/30/19		09/30/19
Revenue (net):	$133.1	$31.9	$32.7	**Cash & Equivalents:**	$0.05
Gross Profit:	$14.3	$3.6	$3.9	**Debt:**	$15.6
EBITDA:	$10.8	$1.9	$2.6		

* Financial information does not reflect the partial period of Oct 1 – Nov 22, 2019 due to the timing of the exit.

BOIS & MATÉRIAUX

Investment Summary

Investment Date:	March 7, 2016	**Invested Capital:**	$29.0 M	**12/31/19 Valuation:**	574.67%
Deal Type:	Cross Border, Corporate Carve-out	**Realized Value:**	$15.5 M		
		Remaining Unrealized Value:	$77.1 M		
		Total Value:	$92.7 M		

Company Description

Business Summary	Bois et Matériaux, (B&M) is one of the top three business-to-business distributors of building materials in Northern France, with two established brands: *Réseau Pro* and *Panofrance*.
Headquarters	Rennes, France
Active Employees	2,131
Management	Yves Martin – CEO Fred d'Ussel – CFO

Recent Developments

- Sales in the quarter were -2.7% below prior year as a result of a higher margin focus, consequently lower sales volume was more than compensated by a higher margin rate
- EBITDA on a like-for-like basis in the quarter was higher than prior year despite lower sales due to a better margin rate and tight cost control
- Reported EBITDA in the quarter was positively impacted by +€3.1 million from accounting effects resulting from the change in accounting principles of IFRS 16
- Net debt increased versus prior quarter mainly due to additional IFRS 16 accounting effects

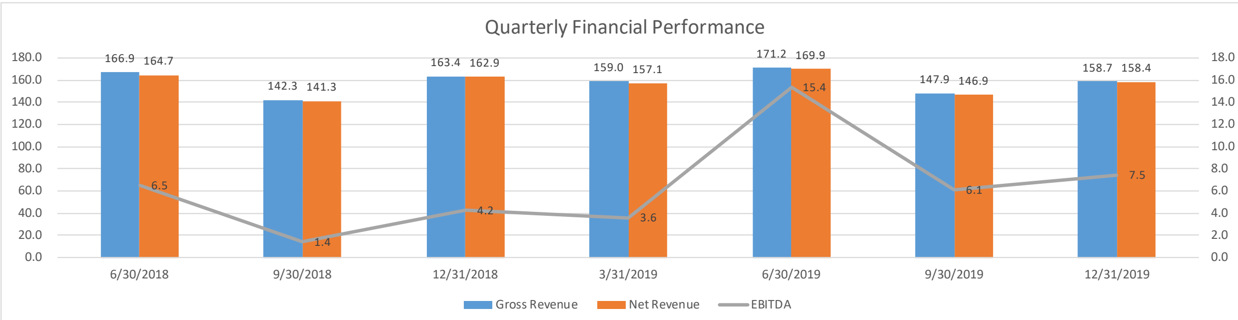
Financial Summary (€ in millions)

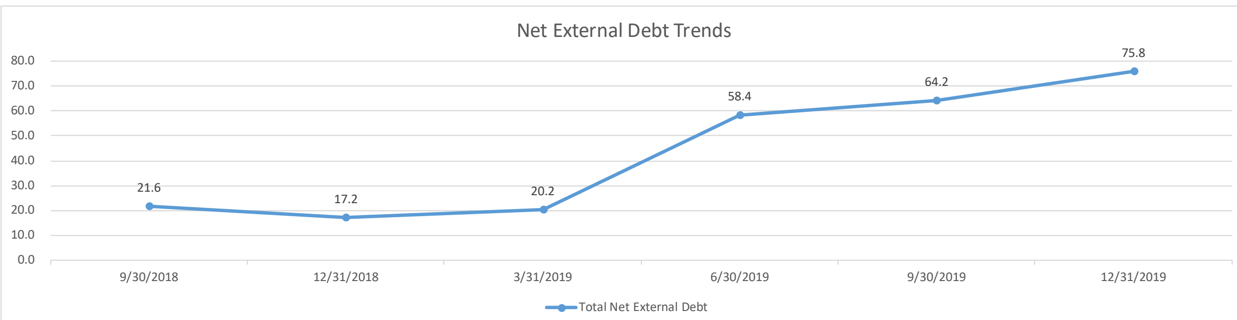
	LTM	Quarter Ended			At
	12/31/19	12/31/18	12/31/19		12/31/19
Revenue:	€ 632.3	€ 162.9	€ 158.4	**Cash & Equivalents:**	€ 23.6
Gross Profit:	€ 184.3	€ 45.8	€ 45.9	**Total External Debt:**	€ 99.5 [3]
EBITDA:	€ 32.6 [1]	€ 4.2	€ 7.5 [2]		

[1] Includes a favorable IFRS16 impact of €13.5 million
[2] Includes a favorable IFRS16 impact of €3.1 million
[3] Includes IFRS16 debt impact of €57.1 million

BOIS & MATÉRIAUX

Q4 2019 Financial Performance and Net Debt Trends (in Euros)





ENERGI
FENESTRATION SOLUTIONS

Investment Summary

Investment Date:	March 31, 2016	**Invested Capital:**	$26.0 M	**12/31/2019 Valuation:**	185.00%
Deal Type:	Corporate Carve-Out	**Realized Value:**	$13.0 M		
		Remaining Unrealized Value:	$24.1 M		
		Total Value:	$37.1 M		

Company Description

Business Summary	ENERGI Fenestration Solutions (“ENERGI”) is a leading manufacturer of rigid and cellular vinyl window profiles and patio doors and other extruded vinyl products. ENERGI is headquartered in Woodbridge, Ontario, Canada with six production sites in the United States and Canada.
Headquarters	Woodbridge, Ontario Canada
Employees	787
Management	Christopher Koscho – CEO Felice Addorisio – CFO

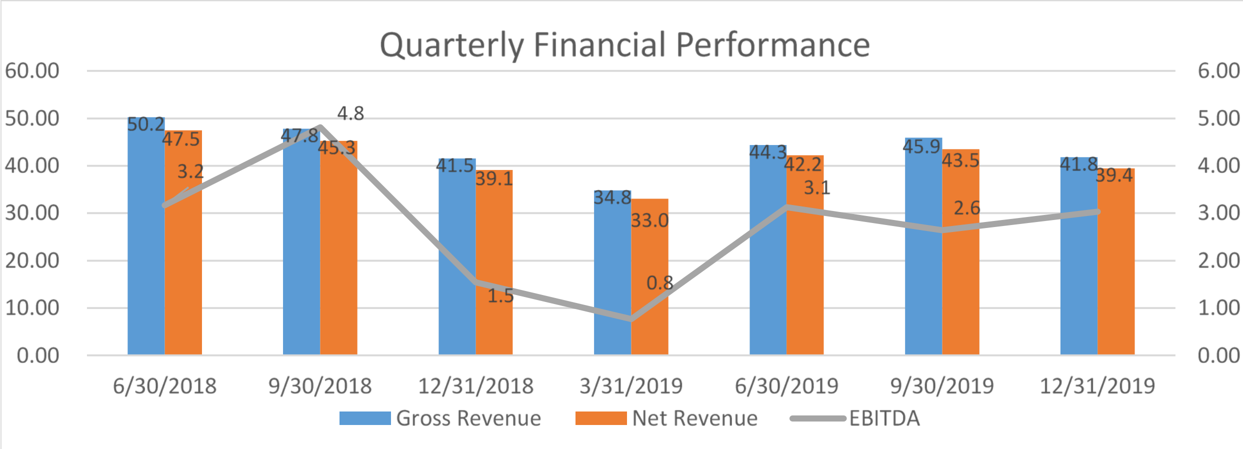
Recent Developments

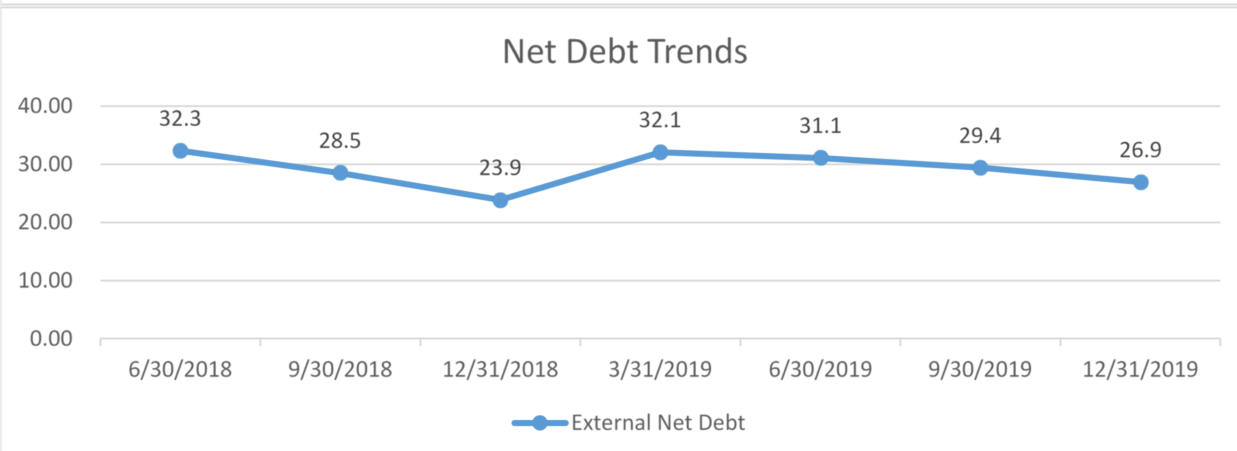
- Overall sales revenues and volumes were behind Plan by $3,069K for the Quarter due to lower than anticipated demand at Woodbridge, Delmont and Everett from both Canadian and US customers impacted by continued slowdown in most Canadian regions, US West and US South regions, continued high inventory levels, customers' inability to find & maintain skilled labor (ie. Installers) and planning for year-end shutdown
- EBITDA ahead of Plan by $261K but behind Plan by $1,139K excluding bonus. EBITDA impacted by lower sales volumes than Plan at the extrusion plants, production challenges at Woodbridge resulting in lower production yields, higher scrap & lower regrind usage, reduced volumes and customer returns impacting yields, scrap and regrind usage at Delmont & Everett and an unfavorable absorption impact. These unfavorable impacts were partially offset by improved yields at Laval, lower labor costs, lower overhead spending and lower OPEX costs including labor & all discretionary spending (and a favorable bonus expense variance of $1,400K)
- Continued sales prospecting efforts continue to grow the sales pipeline throughout the business with continued focus on new business growth, particularly the Patio Door division and maximizing plant capacity utilization
- Continued focus on operational improvements including developing production turnaround plan for Woodbridge (largest extrusion site)
- Engaged third-party freight & logistics consultancy in Q4 2019 to identify and implement $1MM in freight savings via FTL rate reduction and rail route optimization

Financial Summary ($ in millions) (EBITDA does not include one-time transaction and deal fees)

	LTM	Quarter Ended			At
	12/31/19	12/31/18	12/31/19		12/31/19
Revenue:	$158.3	$39.1	$39.4	**Cash & Equivalents:**	$0.0
Gross Profit:	$26.3	$5.8	$6.1	**Debt:**	$26.9
EBITDA:	$9.6	$1.5	$3.0		

Q4 2019 Financial Performance and Net Debt Trends (in USD)





ALFATHERM

Investment Summary

Investment Date:	June 30, 2016	**Invested Capital:**	$28.4 M	**12/31/2019 Valuation:**	40.00%
Deal Type:	Private Seller	**Realized Value:**	$0.00 M		
		Remaining Unrealized Value:	$11.4 M		
		Total Value:	$11.4 M		

Company Description

Business Summary	Alfatherm was established more than 50 years ago and is the fourth largest European PVC film manufacturer, focused on the production and sale of rigid, semi-rigid and flexible PVC films that are used in various applications. The business operates two manufacturing sites near Milan, Italy, and has long-term customer relations that reach across 60 countries. Alfatherm products are concentrated across five main business units including Surface decorations, capsules and sleeves, packaging, technical products and stationery.
Headquarters	Milan, Italy - Europe
Active Employees	323
Management	Francesco Trovato – CEO Enrico Coda – CFO

Recent Developments

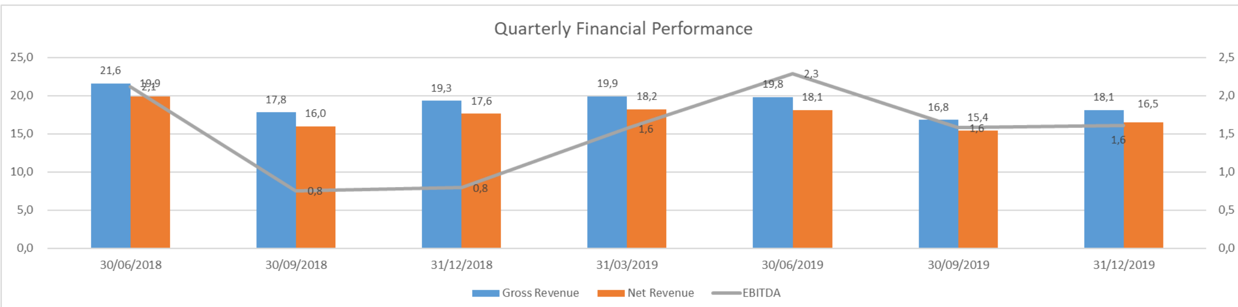
- €5M have been injected to support business turnaround on October 30th
- Q4 sales amounted to € 16.5M below both Budget (-17%) and Prior Year (-6%) driven by the furniture and Capsules & Sleeves temporary market slow down
- Q4 EBITDA at €1.6M is below Budget (-33%) but improved vs Prior Year (+102%). Significant scrap reduction and process efficiencies drove operational performance improvement, while EBITDA as % of sales doubled from 4.5% in Q4 18 to 9.8% in Q4 19
- Year end figures were in line with previous forecast with sales at €68.3M (vs €79.4M in Budget and €72.1 in 2018) and EBITDA amounted to €7.1M (vs €10M Budgeted and vs €6.4M in 2018) which represents an improvement of +1.4pt in EBITDA % of sales vs 2018 despite -5% decrease in sales
- IFRS16 impact is favorable but negligible as it only represents 4k€ per month, 17k€ in YTD and 31k€ Full Year impact
- AlixPartners, with the support the management team, has drafted a plan to accelerate the turnaround of the Business. A Project Manager and Production planner were hired to boost the turnaround plan (started 12/16)

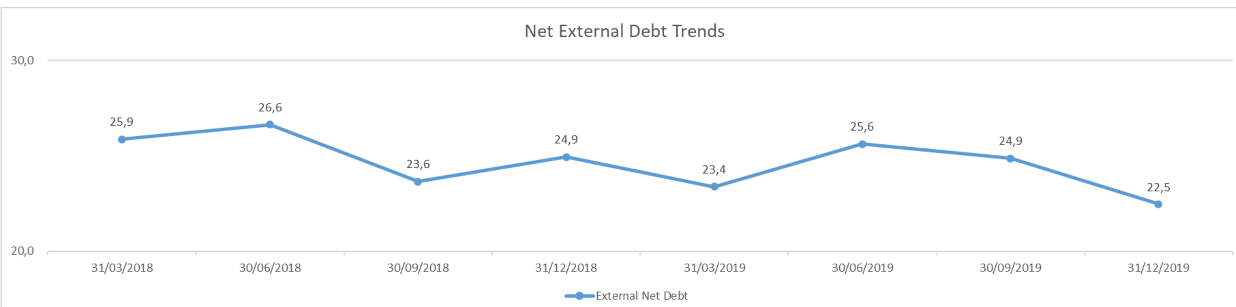
Financial Summary (€ in millions)

	LTM	Quarter Ended			At
	12/31/19	12/31/18	12/31/19		12/31/19
Net Revenue:	€ 68.3	€ 17.6	€ 16.5	**Cash & Equivalents:**	€ 0.7
Gross Profit:	€ 12.2	€ 2.0	€ 2.8	**External Debt:**	€ 23.1[3]
EBITDA:	€ 7.1 [1]	€ 0.8	€ 1.6 [2]		

[1] Includes a favorable IFRS16 impact of €31 thousand
[2] Includes a favorable IFRS16 impact of €12 thousand
[3] Includes IFRS16 debt impact of €0.1 million

Q4 2019 Financial Performance and Net Debt Trends (in Euros)





Investment Summary

Investment Date:	November 25, 2016	**Invested Capital:**	$60.1 M	**12/31/19 Valuation:**	209.01%
Deal Type:	Corporate Carve-Out	**Realized Value:**	$0.0 M		
		Remaining Unrealized Value:	$125.7 M		
		Total Value:	$125.7 M		

Company Description

Business Summary

EverZinc is a global leader in the production of specialty zinc-based chemicals. The business is organized across four product lines: ultra-fine zinc powders, fine zinc powders, zinc oxides and zinc for batteries. EverZinc products are sold to customers around the world for use in a variety of end-applications including anti-corrosion paints, tires, pharma/chemicals, ceramics and glass, sunscreen and other products.

EverZinc is headquartered in Liège, Belgium, has operations in Belgium, the Netherlands, Norway, China, Malaysia, USA and Canada.

EverZinc was a division of Umicore S.A. and previously operated under the name Umicore Zinc Chemicals.

Headquarters	EverZinc BV – Netherlands
Active Employees	609 FTEs
Management	Vincent Dujardin – CEO René Pit – CFO

Recent Developments

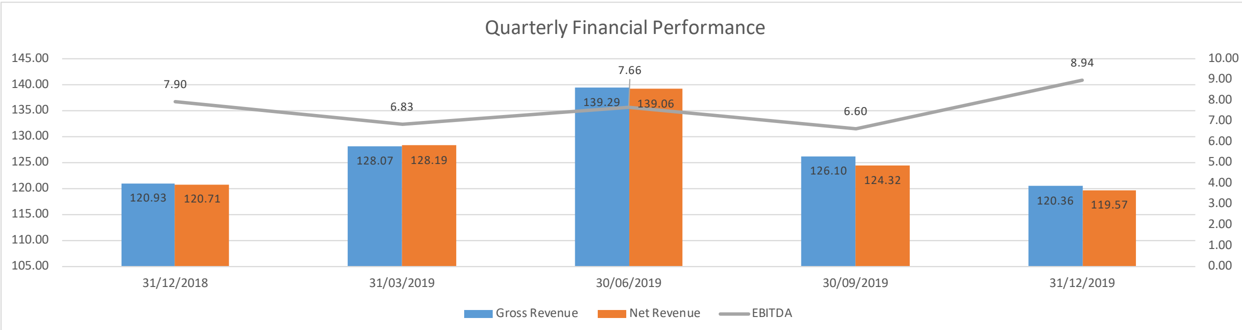
- Despite the lower LME and volumes for Fine Zinc Powder, sales were broadly in line with the same quarter last year (-1%), mostly driven by the improved product mix and higher premia across the product portfolio
- EBITDA was 13% higher than last year (+€1.0 million), driven by the improved product mix (higher volumes coming from high margin segments, mostly ultra-fine zinc powder) and the adoption of IFRS16 (+€0.3 million)
- From a cash flow perspective, the stronger focus on inventory reduction towards year-end secured a closing cash position of €42.7 million, which implied in a net debt of €108.4 million (including €4.9 million related to IFRS16)

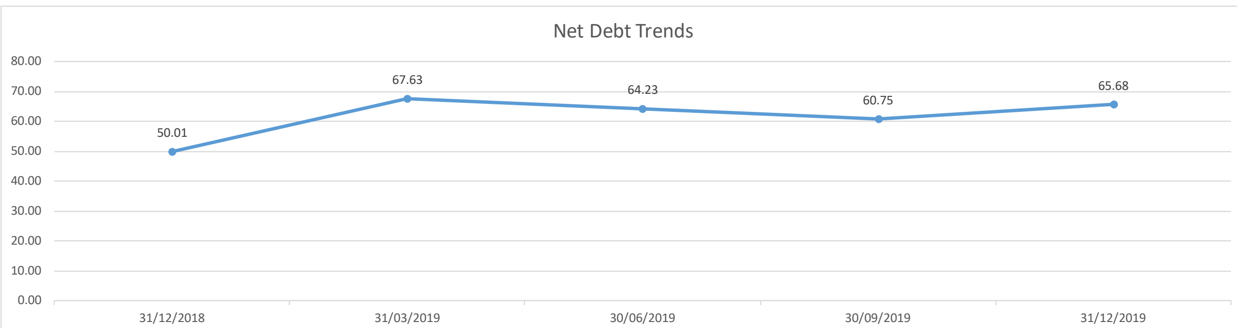
Financial Summary (€ in millions)

	LTM	Quarter Ended			At
	12/31/19	**12/31/18**	**12/31/19**		**12/31/19**
Revenue:	€ 511.1	€ 120.7	€ 119.6	**Cash & Equivalents:**	€ 42.7
Gross Profit:	€ 53.9	€ 13.7	€ 14.0	**External Debt:**	€ 108.4 [3]
EBITDA:	€ 30.0 [1]	€ 7.9	€ 8.9 [2]		

[1] Includes a favorable IFRS16 impact of €1.0 million
[2] Includes a favorable IFRS16 impact of €0.3 million
[3] Includes IFRS16 debt impact of €4.9 million

Q4 2019 Financial Performance and Net Debt Trends (in Euros)





HUFCOR
shaping your experience

Investment Summary

Investment Date:	September 1, 2017	**Invested Capital:**	$35.3 M	**12/31/2019 Valuation:**	85.00%
Deal Type:	Private Seller	**Realized Value:**	$0.0 M		
		Remaining Unrealized Value:	$30.0 M		
		Total Value:	$30.0 M		

Company Description

Business Summary Hufcor is a global leader in the design, manufacturing and installation of movable partitions. Its product line includes operable, vertical lift and glass partitions, accordion doors and other space management products. The company serves end markets including hospitality, commercial, education, convention center, and government. Hufcor is headquartered in Janesville, Wisconsin and has six manufacturing facilities on four continents (USA, Australia, New Zealand, Germany, Malaysia and China).

Headquarters Janesville, Wisconsin – USA
Employees 580
Management Scott Dobak – CEO

Recent Developments

- Rebuilding (people, global processes, global capacity) continues and began to drive financial benefit
- Major additions to the team completed including the hiring of Domestic VP of Operations, Corporate Controller and VP of HR
- Q42019 EBITDA: +1,518 (+4.1% of Rev) vs. PY Q4 $2,292 (6.1% of Rev), $774K below prior year
- YTD EBITDA: +$8,477 (5.7% of Rev) vs. PY YTD $6,797 (4.9% of Rev)
    - Variable cost improvement of 1.3% of revenue vs 2018
    - PF OPEX spend increased 0.5% of revenue to support business
    - Financial Note: 2019 EBITDA PF for hires required to support long-term growth in the business
- 12 month rolling backlog remains at manageable level just under $80 million - in line with current capacity and does not account for expectations for increased commercial opportunities in 2020
- Janesville lead time and quality initiatives underway to improve metrics to commercially viable levels
- Staffing A&D sellers, ramping capacity in Texas & Southwest Domestic markets; investing in Midwest
- International operations receiving increased focus with executive visits in conjunction with hire of new VP of International Plans in place to install new team and focus the operations to capitalize on revamped global manufacturing strategy and commercial expansion
- Rebuilding finance functional team to ensure scalability

Financial Summary ($ in millions) (EBITDA excludes one-time transaction and deal fees)

	LTM	Quarter Ended			At
	12/31/19	12/31/18	12/31/19		12/31/19
Revenue (net):	$149.3	**$37.3**	**$36.7**	**Cash & Equivalents:**	**$3.1**
Gross Profit:	38.7	**9.2**	**10.1**	**Debt:**	**37.7**
EBITDA:	8.5	**2.3**	**1.5**		

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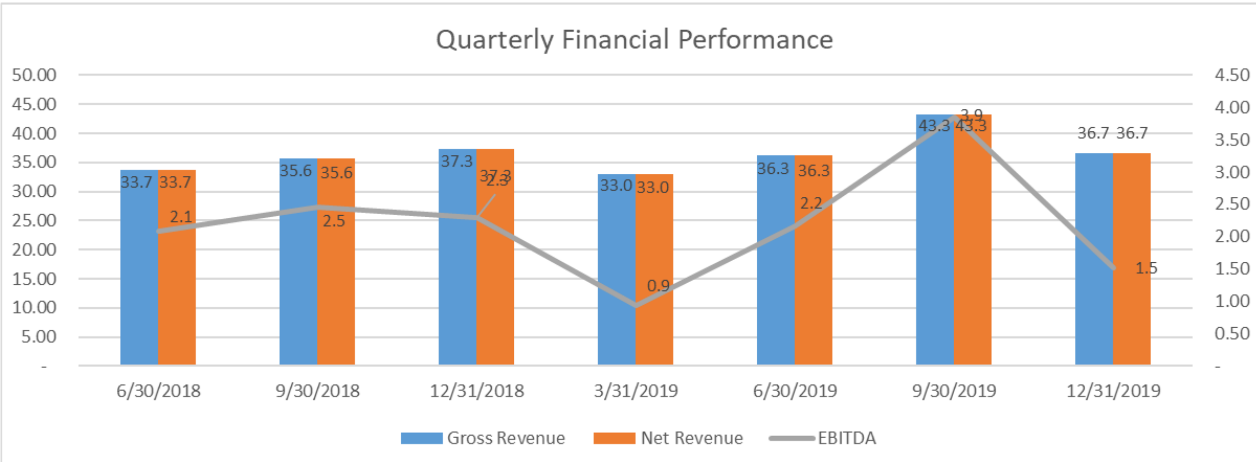
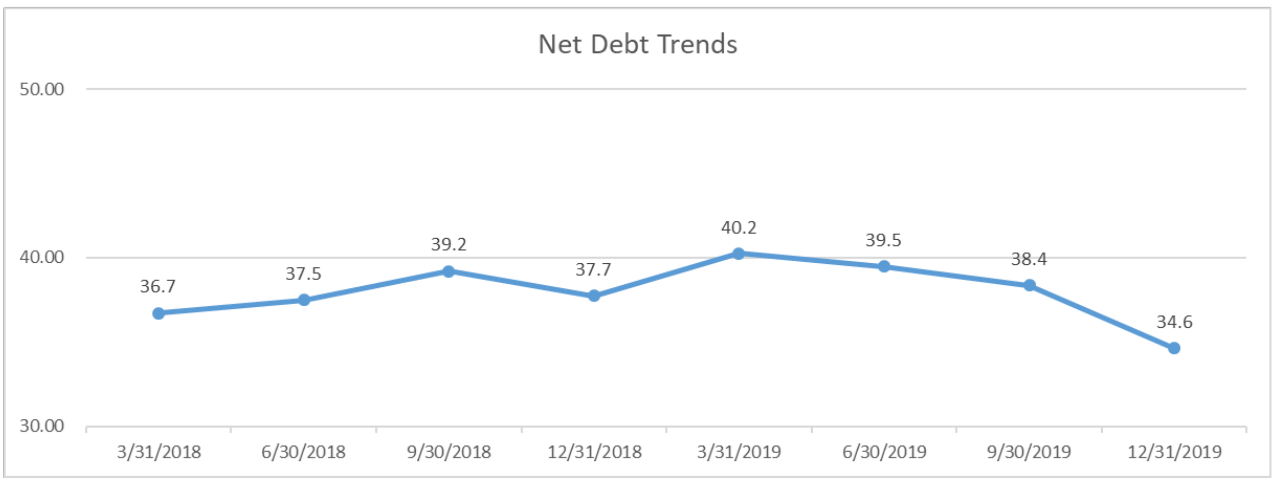
shaping your experience

2019 Financial Performance and Net Debt Trends (in USD)





Investment Summary

Investment Date:	December 15, 2017	**Invested Capital:**	$36.8 M	**12/31/2019 Valuation:**	200.00%
Deal Type:	Auction	**Realized Value:**	$1.0 M		
		Remaining Unrealized Value:	$71.6 M		
		Total Value:	$72.6 M		

Company Description

Business Summary Mersive Technologies, Inc. ("Mersive") is a leading provider of wireless collaboration software. Mersive transforms meeting and learning spaces by enabling multiple users to share content and collaborate from laptops and mobile devices to in-room displays. Mersive's "Solstice" solution is installed in more than 10,000 corporate and higher education customers and 30 of the Fortune 100 companies.

Headquarters Denver, Colorado – USA
Employees 158
Management Rob Balgley – CEO
Chris Jaynes – CTO
Dan Hudspeth – CFO

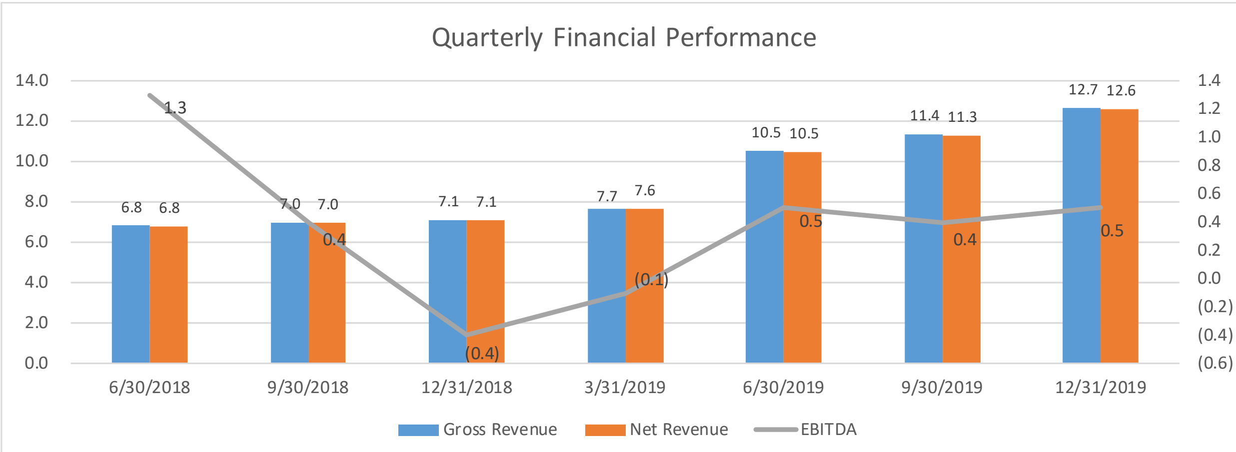
Recent Developments

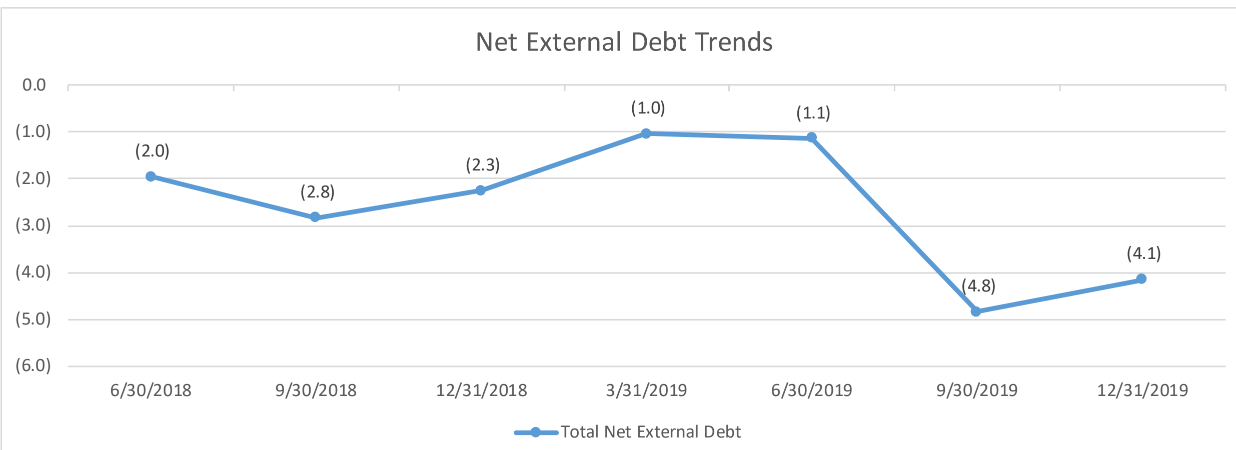
- Mersive continued to make progress on its strategic plan; top initiatives remained global sales expansion and accelerated investment in product development
- QTD and YTD 2019 revenue consistent with plan and improved over prior year due to maturation of sales channels and increase focus on subscription renewals
- Q4 2019 Invoiced sales and revenues were at an all-time high
- Mersive had a strong quarter for subscription sales, driven in large part by a sizeable renewal from WeWork
- Year-end recurring revenue was on-plan

Financial Summary ($ in millions) (EBITDA does not include one-time transaction and deal fees)

	LTM	Quarter Ended			At
	12/31/19	12/31/18	12/31/19		12/31/19
Revenue:	$42.0	$7.1	$12.6	**Cash & Equivalents:**	$7.6
Gross Profit:	$30.2	$5.1	$8.8	**Debt:**	$3.5
EBITDA:	$1.4	($0.4)	$0.5		

Q4 2019 Financial Performance and Net Debt Trends (in USD)





JØTUL®

Investment Summary

Investment Date:	February 28, 2018	**Invested Capital:**	$22.9 M [4]	**12/31/19 Valuation:**	179.22%
Deal Type:	Auction	**Realized Value:**	$0.0 M		
		Remaining Unrealized Value:	$41.0 M		
		Total Value:	$41.0 M		

Company Description

Business Summary Jøtul was founded in 1853 and is one of the most well-known and respected brands globally in the home comfort heating industry today. Jøtul products include cast iron and metal sheet stoves, inserts and fireplaces fueled by wood, gas and pellets. Products are sold under the brand names Jøtul, Scan, Atra and Ild, and are distributed in 45 countries across Europe, North America and Asia through exclusive and multi-brand specialty dealers.

Headquarters Fredrikstad, Norway Europe
Active Employees 472
Management Nils Agnar Brunborg – CEO
Amund Skaaden - CFO

Recent Developments

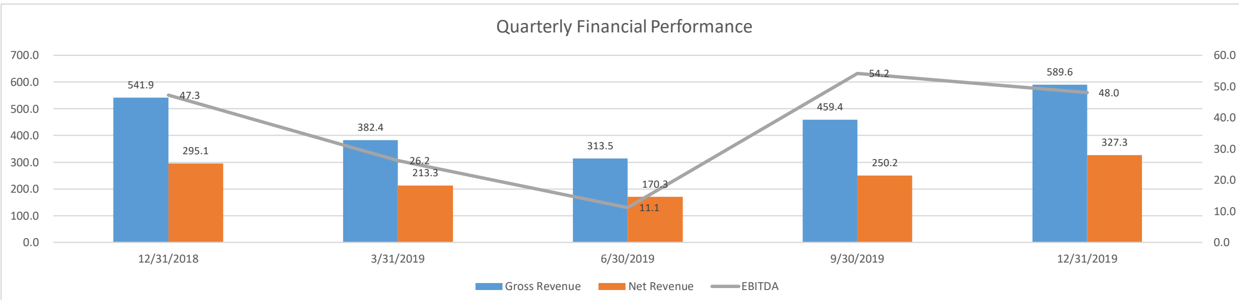
- Sales in the quarter were +10.9% above prior year due sales contribution from AICO France which was integrated into Jøtul France in Q2-2019, the higher sales was generated on the back of a lower margin rate
- EBITDA on a like-for-like basis in the quarter was lower than prior year due a less favourable mix effect on margins and some higher operating cost as a result of the factory relocation from Norway and Denmark to Poland
- Reported EBITDA in the quarter was positively impacted by +NOK 10.0 million from accounting effects resulting from the change in accounting principles of IFRS 16
- Net debt was restated as of Q1-2019 to reflect IFRS 16 accounting implications, increases versus the porior quarter are mainly related to investments in the new Polish manufacturing plant

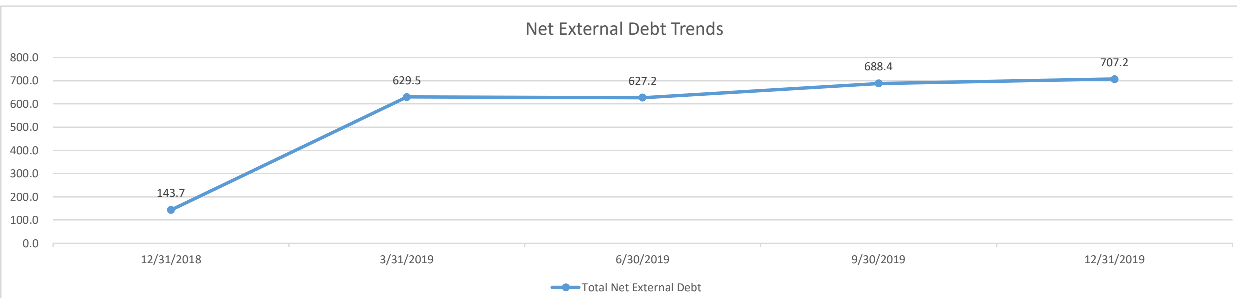
Financial Summary (NOK in millions)

	LTM	Quarter Ended			At
	12/31/19	**12/31/18**	**12/31/19**		**12/31/19**
Revenue:	NOK 961.1	NOK 295.1	NOK 327.3	**Cash & Equivalents:**	NOK 55.6
Gross Profit:	NOK 301.0	NOK 97.8	NOK 100.0	**Total External Debt:**	NOK762.8 [3]
EBITDA:	NOK 139.6 [1]	NOK 47.3	NOK 48.0 [2]		

[1] Includes a favorable IFRS16 impact of NOK 31.5 million
[2] Includes a favorable IFRS16 impact of NOK 10.0 million
[3] Includes IFRS16 debt impact of NOK 395.6 million
[4] Investment made through Stove Investment Holdings S.a.r.l., which also owns the Ravelli / AICO investment.

Q4 2019 Financial Performance and Net Debt Trends (in NOK)





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Investment Summary

Investment Date:	November 12, 2018	**Invested Capital:**	$18.1 M	**12/31/19 Valuation:**	43.37%
Deal Type:	Auction	**Realized Value:**	$0.0 M		
		Remaining Unrealized Value:	$7.9 M		
		Total Value:	$7.9 M		

Company Description

Business Summary	AICO is an Italian designer and manufacturer of pellet stoves and fireplaces, relying on a broad range of technologies. The business features two well-established brands: Ravelli (sold to specialized distributors) and Elledi (sold through DIY). AICO's products are sold in more than 40 countries.
Headquarters	Palazzolo sull'Oglio, Italy – Europe
Active Employees	113
Management	Eugenio Cecchin – CEO Rosanna Berardinelli - CFO

Recent Developments

- Sales in Q4 decreased versus prior year due to two main reasons:
  - Aico management performed a portfolio cleanup exercise to reduce lower margin product sales which impacted sales volumes negatively
  - Adverse market conditions due to an upnormal warm winter coupled with low energy prices benefitting competing heating sources
- EBITDA losses reduced significantly versus prior year due margin turnaround and a comprehensive cost reduction program
- Net debt decreased substantially versus prior quarter due to efficient working capital management

Financial Summary (€ in millions) (EBITDA does not include one-time transaction and deal fees)

	LTM	Quarter Ended			At
	12/31/19	12/31/18	12/31/19		12/31/19
Revenue:	€ 29.3	€ 11.9	€ 10.9	**Cash & Equivalents:**	€ 0
Gross Profit:	€ 4.0	€ (0.6)	€ 1.0	**Total External Debt:**	€ 0.5 [1]
EBITDA:	€ (5.0) [1]	€ (4.8)	€ (0.9) [1]		

[1] AICO reports in Italian GAP and will continue to do so until the full integration into Jøtul by end 2020, hence no IRFS 16 adjustments in the financials of 2019

FICHET

Investment Summary

Investment Date:	December 3, 2018	**Invested Capital:**	$9.4 M	**12/31/19 Valuation:**	121.05%
Deal Type:	Auction	**Realized Value:**	$0.0 M		
		Remaining Unrealized Value:	$11.3 M		
		Total Value:	$11.3 M		

Company Description

Business Summary Fichet Security Solutions is a provider of integrated electronic security solutions, with a product offer that encompasses electronic security, security doors & partitions, entrance control, safes & vaults and cash management.

Products are manufactured in 2 plants both located in France (Bazancourt and Baldenheim) and sold through 3 sales companies (France, Belgium and Luxembourg) with an extensive commercial network across the 3 countries.

Headquarters Paris, France - Europe
Active Employees 909
Management Michael Gass – CEO
Jean-Bernard Lagneau – CFO

Recent Developments

- Q4 sales amounted to € 33.9M, below Budget (-10%) and Prior Year (-4%) driven by lower sales on Cash management and Entrance Control solutions
- Q4 EBITDA at €1.8M is -47% vs Budget mainly due to reduced sales and 2 months delay in the redundancy plan implementation vs initial budget timing assumptions. Nevertheless, EBITDA results is better than Q4 18
- Year end figures confirms a significant transformation of the business with sales reaching €127.7M (vs €133.9M in Budget and vs €124.9M in 2018) and EBITDA amounting to €1.5M (vs €3.0M Budgeted and vs €-6.4M in 2018)
- All the figures presented includes IFRS 16 impact which is favorably improving EBITDA by €0.3M per month and €3.4M in full year. 2019 actual and budget have been restated except 2018 which doesn't include any IFRS16 adjustment
- Group reorganisation/redundancy plans, launched in Q2, affecting 92 jobs, have been fully and successfully completed. As a reminder, it will generate a full year saving impact of €6.0M for a estimated one off cost of €7.5M (15 months payback)
- Group Sales Director, Stephan Metcalf, recruited in December 19 and starting 20th January 2020

Financial Summary (€ in millions)

	LTM	Quarter Ended			At
	12/31/19	12/31/18	12/31/19		12/31/19
Net Revenue:	€ 127.7	€ 35.3	€ 33.9	**Cash & Equivalents:**	€ 17.2
Gross Profit:	€ 29.3	€ 7.7	€ 8.0	**External Debt:**	€ 21 [3]
EBITDA:	€ 1.5 [1]	€ (0.4)	€ 1.8 [2]		

[1] Includes a favorable IFRS16 impact of €3.4 million
[2] Includes a favorable IFRS16 impact of €0.8 million
[3] Includes IFRS16 debt impact of €17.7 million

Q4 2019 Financial Performance and Net Debt Trends (in Euros)