



OPENGATE CAPITAL

A GLOBAL PRIVATE EQUITY FIRM

# OPENGATE OPERATIONS MONTHLY PORTFOLIO REVIEW

DECEMBER 18<sup>TH</sup> 2019



# 1 | Operations Enablement OG<sup>x</sup> and Portfolio Wide Initiatives

# OG<sup>x</sup> Update

## Cross-Portfolio Enablement Efforts:

- Developing the OGC 2020 roll out plan for the workbench. A data request to all portfolio companies to determine current systems, and data architecture will be issued early January to better prioritize and sequence the companies. Focusing deployment next at EverZinc and Core Media
- Oliver Wyman has provided a sourcing/purchasing data request template, which will be issued along with the workbench data request early Jan.
- Henry Shi and Xponential Works have been given access to the data in the workbench and are investigating opportunities for AI/machine learning. Output to be reviewed week of 6 Jan
- Lean training course in partnership with the University of Wisconsin has been developed. Targeting a late Jan, early Feb week session to be held at Hufcor to include key management from both Hufcor and Duraco (~30 people)
- MIT visit scheduled 14 Jan in Cambridge MA. 4 hour meeting to include, overview of APT consortium, lab tours, and discussion around MIT <> OGC partnership

## Portfolio Companies Activities:

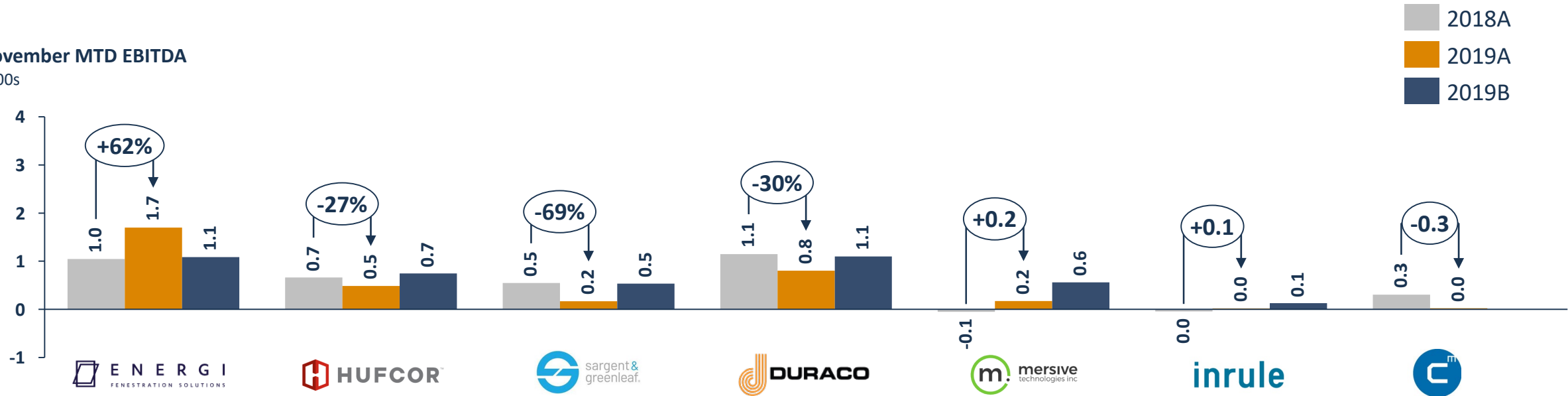
- Hufcor USA integration is on track with Sirius supporting Data engineering and integration of the ERP system into the platform, and Sirius is developing a proposal to provide similar support across the portfolio
- Hufcor is kicking off an effort to include smart automated sensors into the manufacturing equipment starting 6 Jan. Work is being performed at cost as a pilot by Beckway. Expecting data feeds to be live by 1 Feb and will be targeting preventative maintenance
- Everzinc industrialization tests for ZANO to take place in North America and Europe now in December, with next phase expected for Q1 2020
- Fiven has completed the strategic review with Nexant and Avi and 3 main initiatives were identified at this stage. Final conclusions expected for the end of the month:
  - Re-brand Fiven as Industry Leader
  - Brainstorming about CO2 footprint decrease
  - New product development process leveraging on an Open Innovation Program

## 2 | North America Portfolio Update

# Consolidated North America Portfolio EBITDA (GAAP)

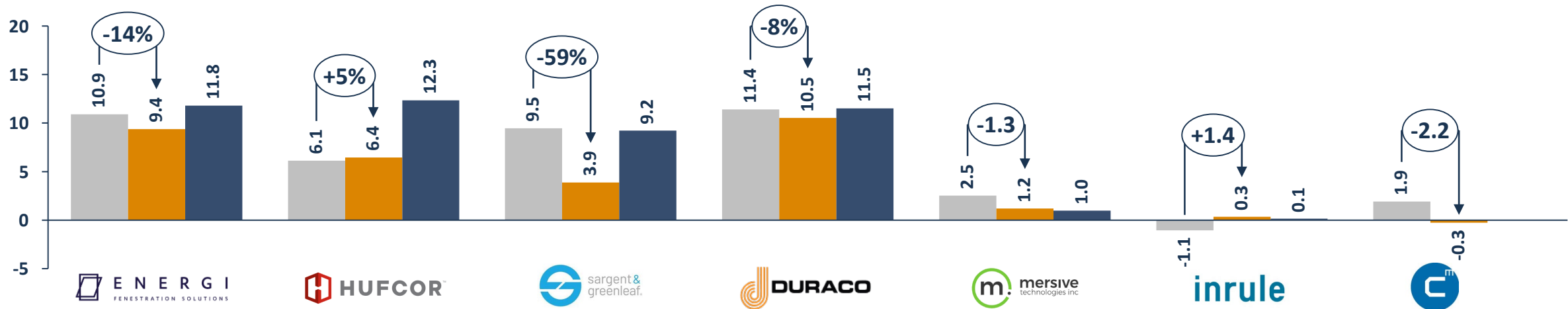
## November MTD EBITDA

\$000s



## November YTD EBITDA

\$ millions



## 2.a | Energi

## Executive Summary: November 2019



- November results: Net revenue @ \$14.3MM (93% of budget, 101% of PY), EBITDA @ \$1.7MM (156% of budget, 162% of PY). EBITDA performance higher than plan and prior year primarily due to reversal of portion of bonus accrual (\$619k).
- Sales revenues and volumes behind plan at all plants (except Laval) due to lower than expected demand across Canada and the United States; EBITDA unfavorably impacted by lower volumes, production challenges in Woodbridge resulting in lower yields, higher scrap and lower regrind usage
- Team launching sale process in Q1 2020. Secured outside resource to support finance team at Energi to help expedite process.
- OGx: No current engagement due to sale process
- Key operational initiatives continue to show momentum
  - Woodbridge performance improvement: DBA (outside resource) guaranteeing \$1.5MM+ in savings at Woodbridge after 1-week onsite assessment
  - Freight & logistics savings: Secured ~\$300k in savings; incremental ~\$200k in savings in the pipeline, and clear sight to \$1MM in total savings due to rail rate savings, FTL/LTL rate savings, and mode optimization (use of flat bed vs. dry vans)

	Nov 2019		YTD	
Period	Rev	EBITDA	Rev	EBITDA
19A	\$14.3	1.7MM	\$149	9.4MM
19B	\$15.5	1.08MM	\$167	11.8MM
19A % of 19B	93%	156%	89%	79%
18A	\$14.0	1.04MM	\$161	10.8MM
19A % of 18A	101%	162%	92%	87%

## Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>A: Footprint rationalization</b>		• Closure of plants i.e., Everett on hold pending sale process	On hold	TBD	TBD
<b>B: Commercial/GTM turnaround</b> (SmartVentures)		• Recruiting in-process for (2) US-based sales reps	Q4 2019 / Jan 2020	TBD	TBD
<b>C: Woodbridge Ops Improvement</b> (DB&A)		• DBA completed week 1 on-site assessment. Identified \$1.5MM+ in savings (guaranteed) due to direct labor savings, indirect labor savings ,and scrap/regrind optimization; week 2 solution develop to commence next week	Start 12/9	TBD	TBD

## Status Update: Project Details

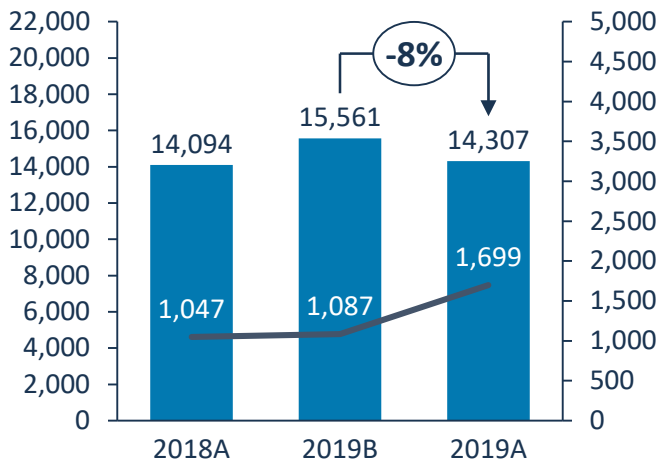
Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>D: Freight &amp; Logistics Cost Reduction</b> <i>(SmartVentures)</i>		<ul style="list-style-type: none"> <li>Team secured ~\$300k in savings due to rail lane optimization. Routing through Westminster BC (vs. Chicago); resulting in “turnkey” \$300k in savings starting in January.</li> <li>Incremental \$200k in savings to be secured in mid-January via Langley BC interchange transload to Trimac trucking</li> <li>Additional significant savings expected from FTL/LTL rate RFP and mode optimization (i.e., dry van vs. flat bed)</li> </ul>	Q1 2020	TBD	TBD
<b>E: Patio Door Pricing</b> <i>(SmartVentures)</i>		<ul style="list-style-type: none"> <li>Completed two-week sprint; identified between \$0.7-1MM in potential pricing upsides</li> <li>Implementation in-progress with customer visits starting November; governance mechanism to be determined / implemented</li> </ul>	Analysis complete Implementation: 12/15	\$0.7MM	



# Monthly Financial Metrics

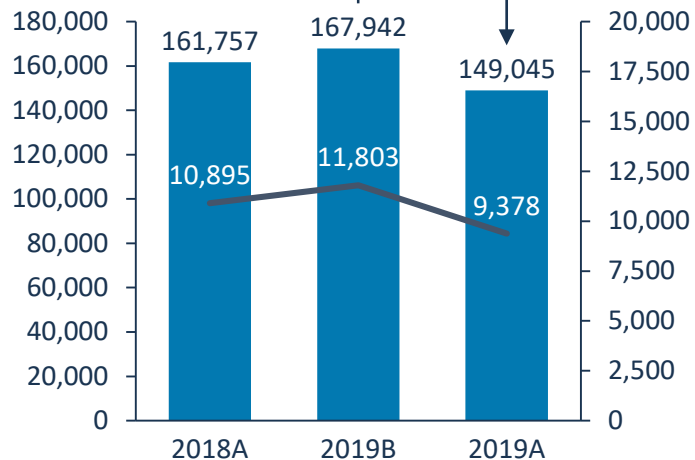
## November MTD

\$000s



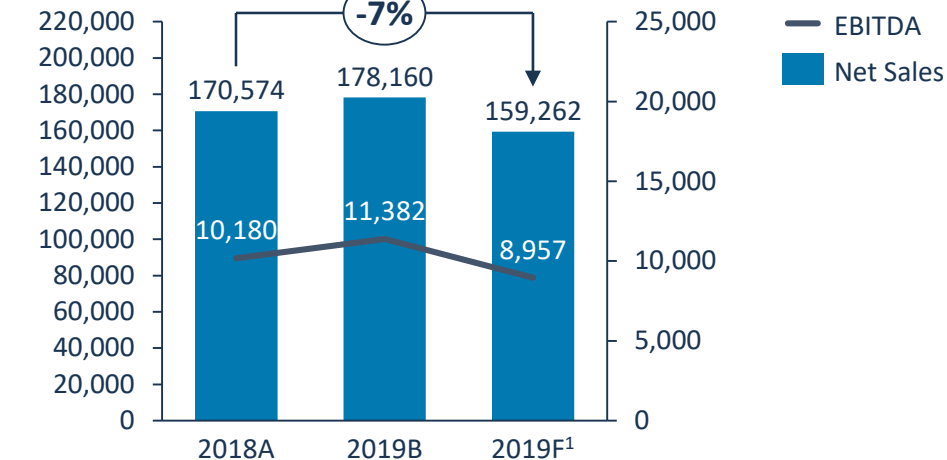
## November YTD

\$000s



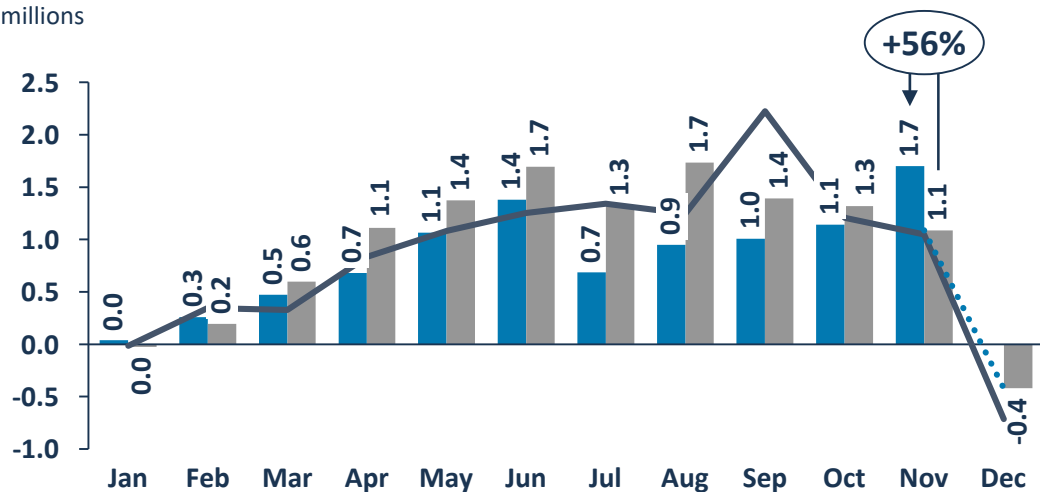
## Full Year

\$000s



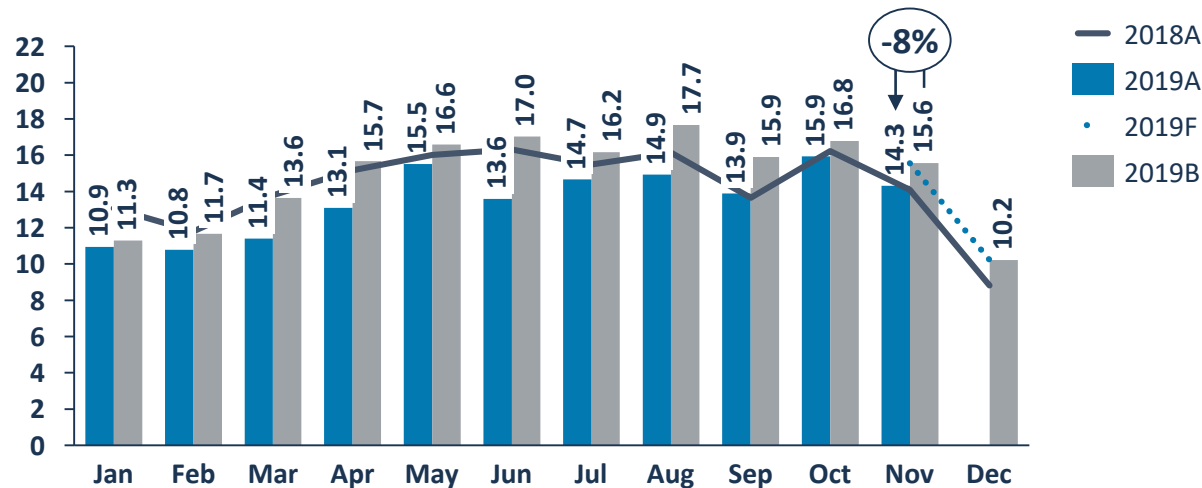
## Monthly EBITDA

\$ millions



## Monthly Net Revenue

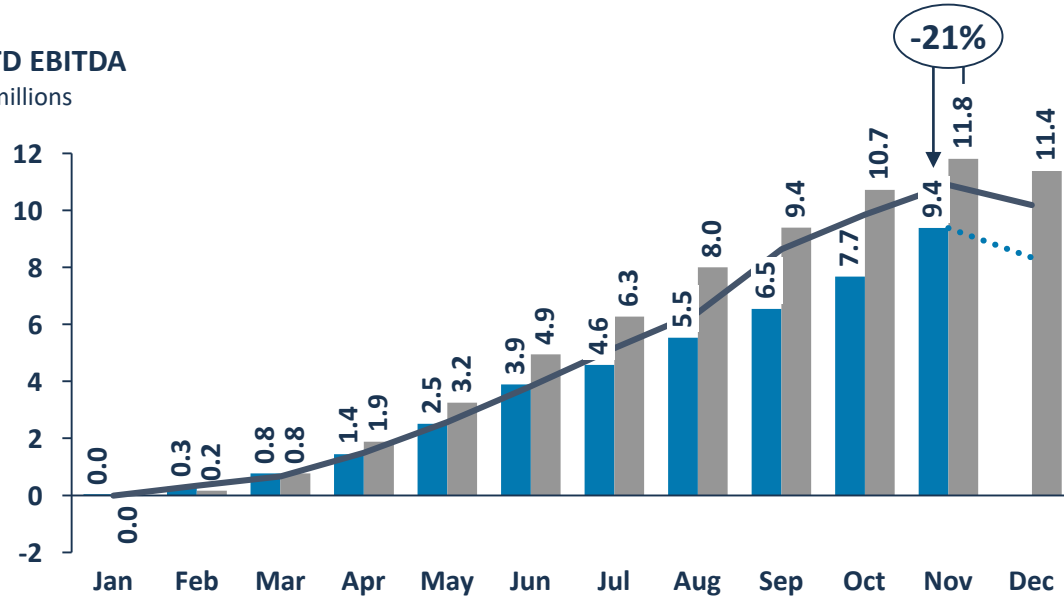
\$ millions



# Monthly Financial Metrics

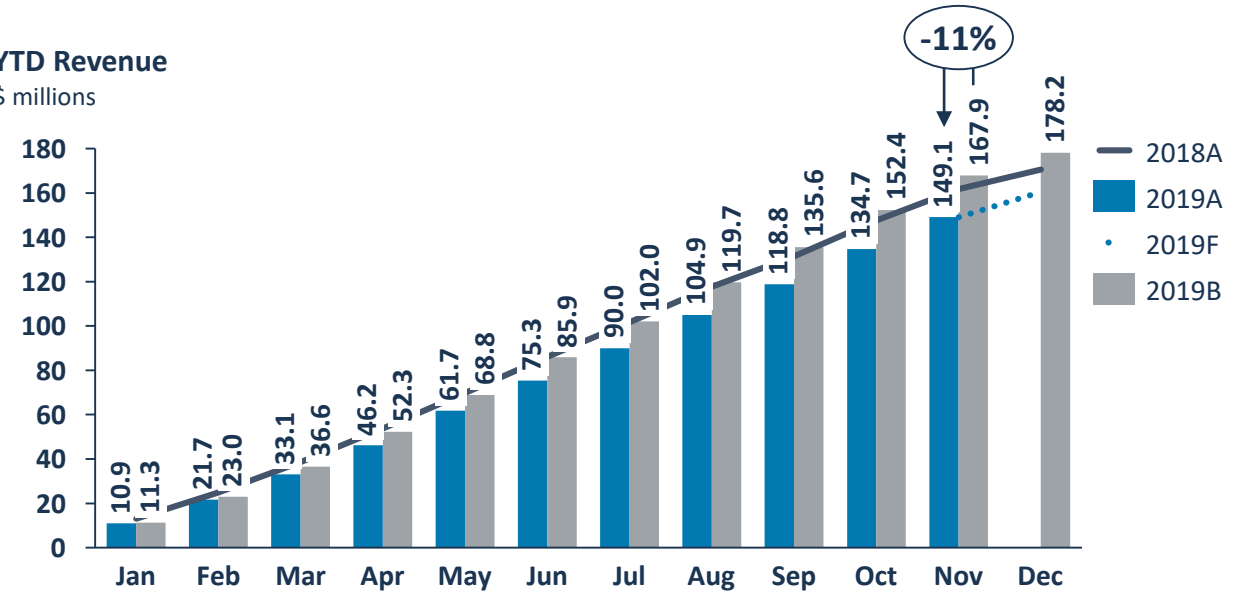
## YTD EBITDA

\$ millions



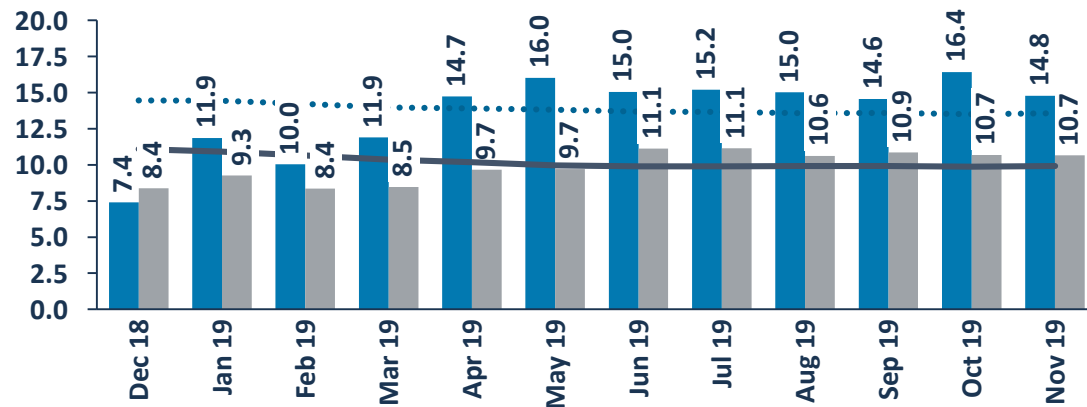
## YTD Revenue

\$ millions



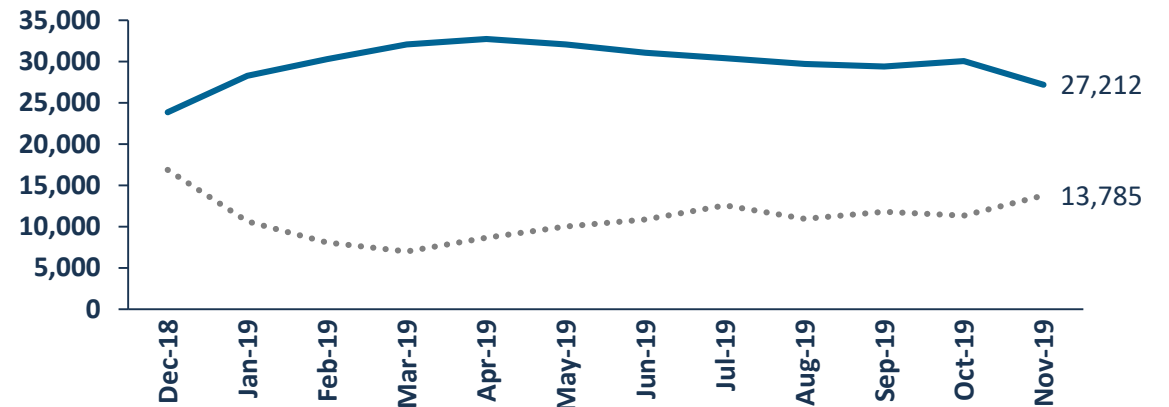
## Order Intake

\$ millions



## Liquidity

\$ millions



• TTM Avg Bookings MTD Bookings — TTM Avg Backlog MTD Backlog



OPENGATE CAPITAL 1. YTD actuals + remaining year forecast




2.b | Hufcor

## Executive Summary: November 2019

- November: \$11.4M Revenue vs \$10.9M AOP (104% of AOP, 98% vs PY); \$0.5M EBITDA vs. \$0.7M AOP (65% of AOP, 73% vs PY). EBITDA miss is due to fluctuations in material costs which also resulted in the above plan in October. 2019 financials will be restated in January 2020 post physical inventory
- YTD results: \$138.3M Revenue vs \$132.2M (105% of AOP, 111% vs PY); \$6.4M EBITDA vs. \$12.3M AOP (52% of AOP, 105% vs PY)
- Domestic: Labor Productivity up 40% since start of September across final production lines; new panel line ("603") approved for \$350K (\$200K capitalized); planned to reduce lead times & eventually increase production. Physical Inventory preparation in process; \$1.2M of inventory reserves created
- International: Restructuring of International business underway focusing on an Asia growth strategy in China and a stabilization of Malaysia through internal component manufacturing. Europe Gross margins are up significantly post pricing initiative.
- 2020 AOP will be completed early Jan due to the need to complete the physical inventory and restate material costs in 2019
- OGx: Kicked off project with Sirius to connect Domestic ops to the workbench, Henry Shi and Beckway are investigating AI and smart sensor opportunities

	Nov 2019		YTD	
Period	Rev	EBITDA	Rev	EBITDA
19A	11.4M	0.5M	138.3M	6.4M
19B	10.9M	0.7M	132.2M	12.3M
19A % of 19B	104%	65%	105%	52%
18A	11.6M	0.7M	125.1M	6.1M
19A % of 18A	98%	73%	111%	105%

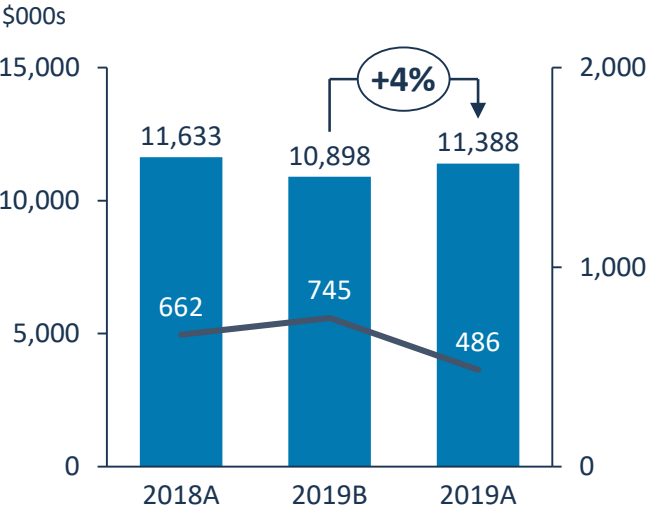
## Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>A: Production</b> (Aardema, Patterson)		<ul style="list-style-type: none"> <li>Labor productivity up 40% on all final assembly since start of September</li> <li>603 Line project approved (4<sup>th</sup> solid-wall panel line); ~\$350K cost that will add roughly 80 additional units per day at the outset; goal is to be up and running by mid-Jan</li> </ul>	Underway	\$1.5mm	+31% Units/Hr
<b>B: Quality</b> (Olmstead, Melito, Patterson)		<ul style="list-style-type: none"> <li>Quality Director (Nick Ackley) started 12/11</li> <li>Quality database to track and manage the program is being stood up in Power BI; will incorporate internal, external, and scrap defects</li> <li>Plan is to draw down 1099 support by end of Dec (Olmstead) and end of Jan (Melito)</li> </ul>	Underway – Financial impact start in Dec	\$460k	In Process
<b>C: Inventory</b> (Jordan, Gioia)		<ul style="list-style-type: none"> <li>Final preparation ongoing for P.I. starting Friday on 2<sup>nd</sup> shift through Tues, Dec 17</li> </ul>	Underway	(\$1.3mm)	In Process

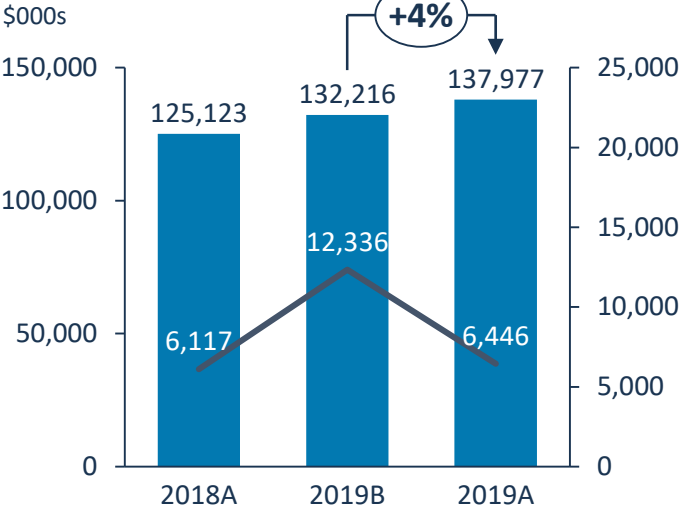
## Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>D: Safety</b> (Nichols, Patterson)		<ul style="list-style-type: none"> <li>TRIR: 5.39; forced to make unfavourable adjustment to employee hours</li> <li>Quick creation of 90-Day Get Well Plan (addressing sub-standard EMR rating) has allowed for additional sales bids Hufcor would have not have seen otherwise</li> </ul>	Underway	\$200k	In Process
<b>E: Logistics</b> (Schwanke, Blazy)		<ul style="list-style-type: none"> <li>Creating CPM (Cost Per Mile) baseline to use to pricing model and for bidding out purchase transportation</li> <li>Bid currently working on outsourcing fleet to reduce cost and grow asset capabilities</li> <li>Developing visibility to see van production for all lines including closures</li> <li>Progressive loading in place to reduce docking of racked panels</li> <li>Trailer utilization already in place to improve available trailers to load in Janesville</li> </ul>	Underway	In Process	In Process
<b>F: Germany Pricing</b> (Long)		<ul style="list-style-type: none"> <li>Germany bookings have declined, however, booked gross margin is above the target of 16%. Revenue and EBITDA were above plan</li> </ul>	Underway – Financial impact in Dec	\$500k	\$0
<b>G: IT</b> (Andrews, Blazy, Long)		<ul style="list-style-type: none"> <li>Digitization of S.I.M. Boards and Shipping Scanning projects ongoing; pilots for each by year end</li> <li>Focusing on addressing critical infrastructure vulnerability and business continuity</li> <li>Beginning evaluation of ERP alternatives to MAPICS</li> <li>Kicking off data ETL project with Sirius to connect Janesville to the Workbench</li> </ul>	Underway	In Process	In Process
<b>I: Flooding</b> (Barons, Blazy Dobak)		<ul style="list-style-type: none"> <li>Retained Michael Best (Law Firm)</li> </ul>	Immediately	NA	NA
<b>J: Hiring</b> (Tokarz)		<ul style="list-style-type: none"> <li>VP Domestic Operations hired</li> <li>VP HR and Domestic Controller hires in final stages</li> <li>Manufacturing Engineering support being prioritized</li> </ul>	Immediately	NA	NA

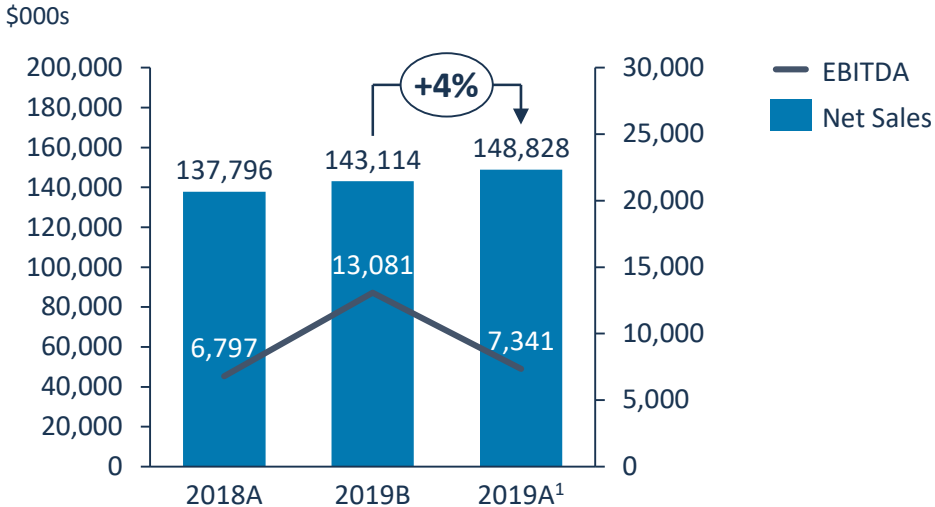
November MTD



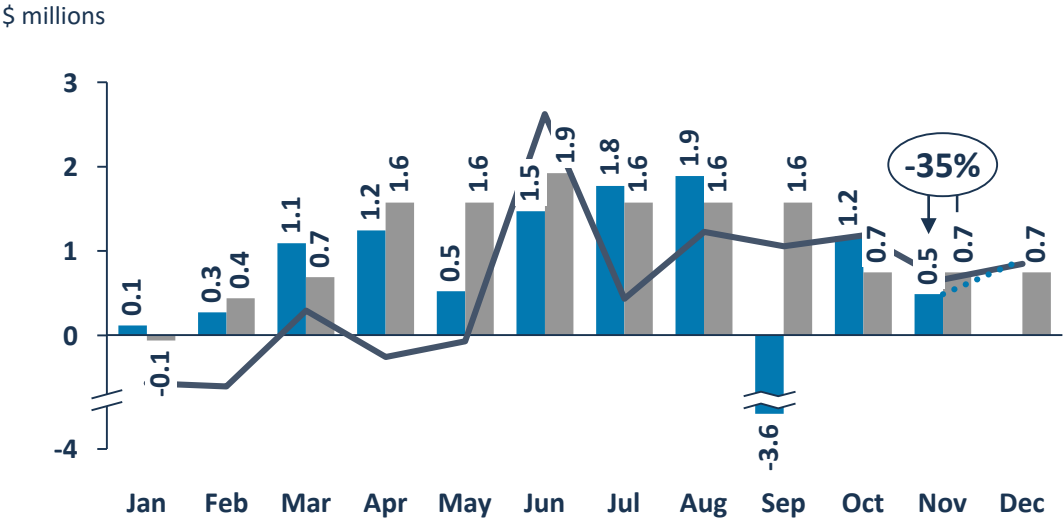
November YTD



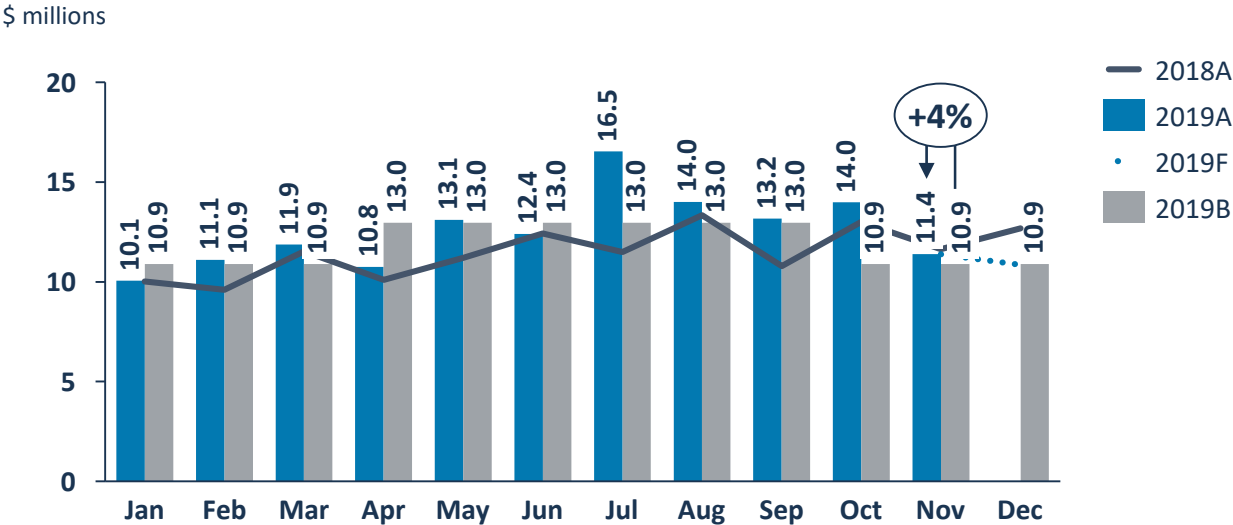
Full Year



Monthly EBITDA

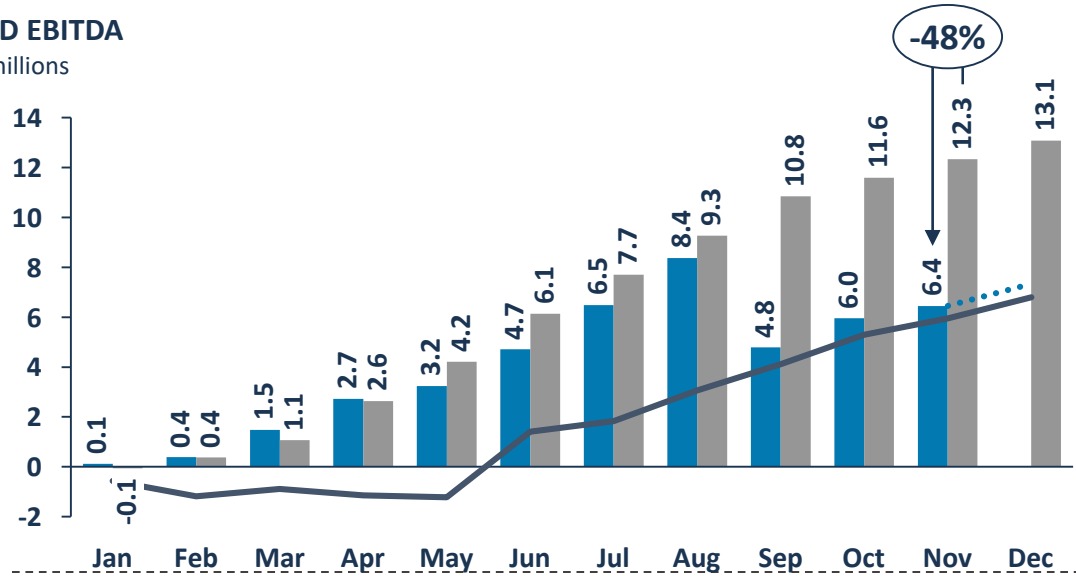


Monthly Net Revenue



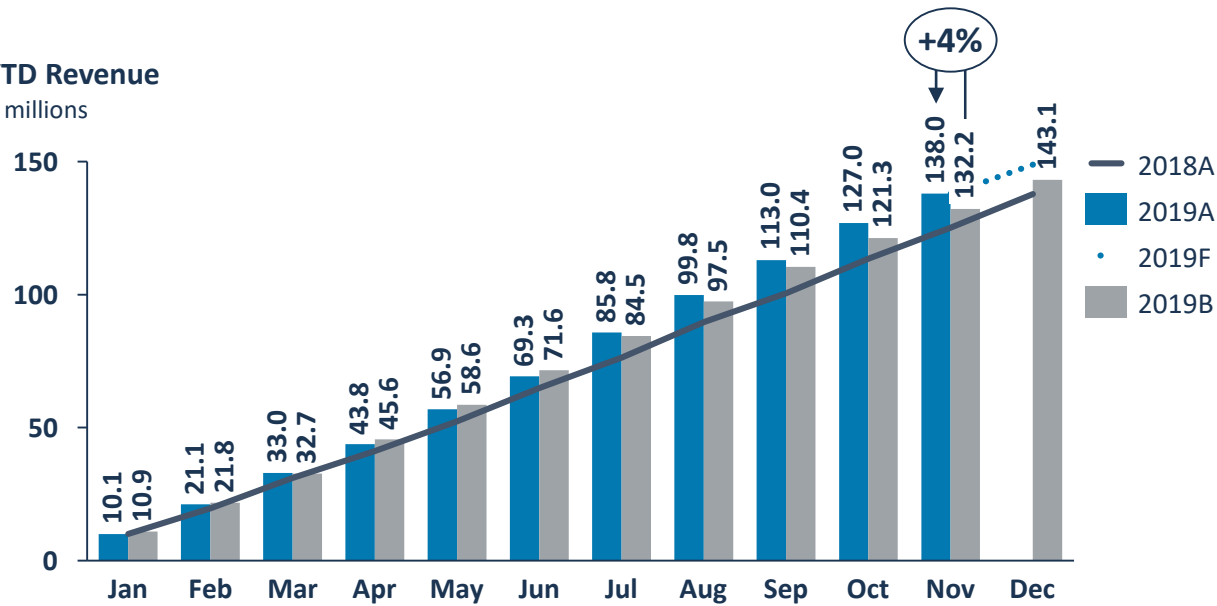
## YTD EBITDA

\$ millions



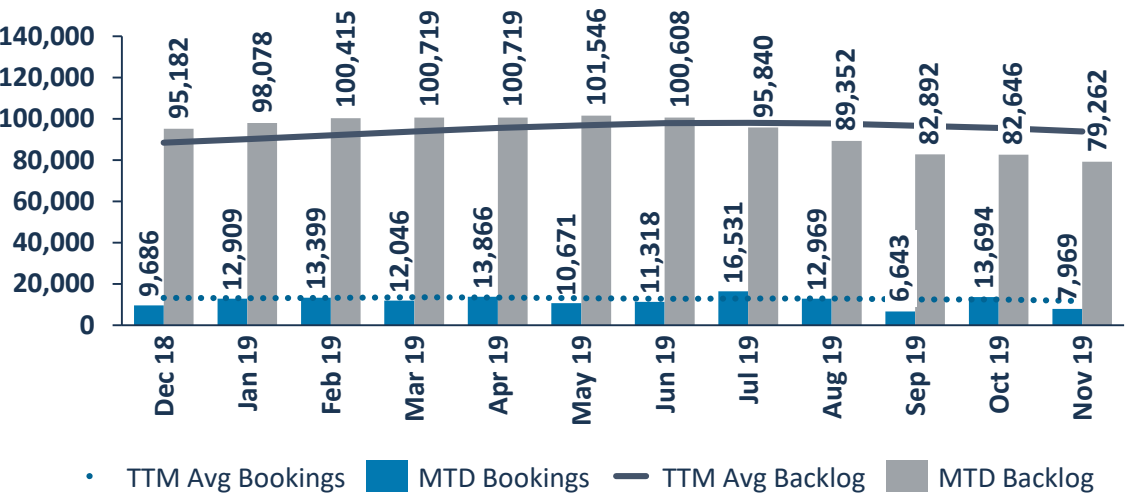
## YTD Revenue

\$ millions



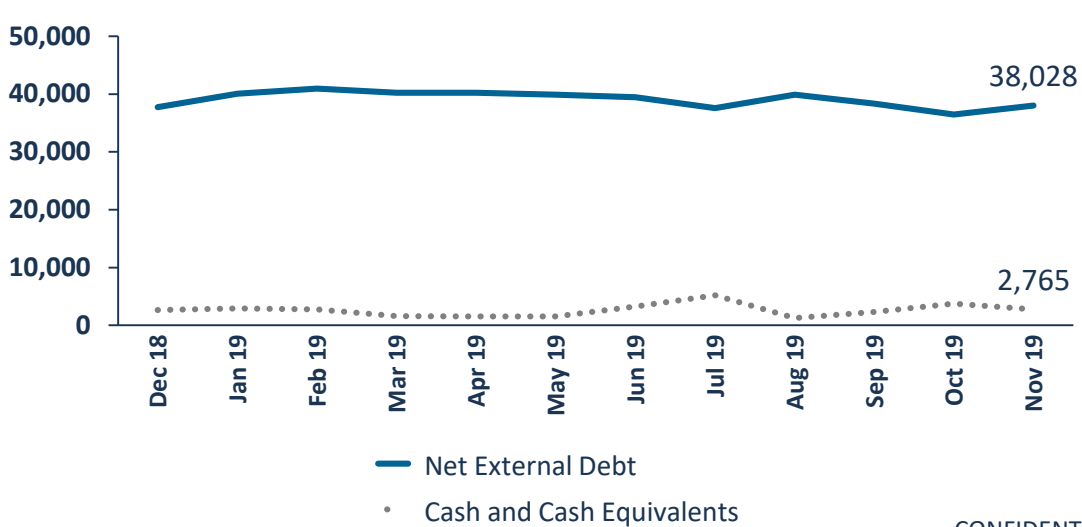
## Order Intake

\$ millions



## Liquidity

\$ millions



• TTM Avg Bookings • MTD Bookings — TTM Avg Backlog ■ MTD Backlog

2.c | S&G





## Executive Summary: November 2019

- Nov 2019 was a strong month relative to PY, but below Plan (as expected); the month ended with sales at \$3.1M (85% of Plan, 110% of PY), PF Adj EBITDA at \$633K (76% of Plan, 116% of PY), bookings at \$2.6M (68% of Plan, 95% of PY), and backlog at \$6.7M (90% of PY)
  - (\$0.2M) of revenue slippage in November, customers delayed pick-up dates
  - 4Q Fixed Charge Ratio projected favorable at 1.95 vs minimum ratio of 1.10. Total Debt to EBITDA Ratio projected favorable at 4.07 vs maximum ratio of 6.00
  - NA decline in both OEM and distribution, expecting flattening of decline in Q4; search in process for NA Sales Director, targeting Feb start date
- OGx: XponentialWorks supporting development of app for new keypad as well as new SIOP analytical tool
- At 12/11 (44% through the fiscal month), Dec MTD sales were at \$0.6M (16% of Plan, 119% of PY MTD), bookings were at \$0.9M (24% of Plan, 89% of PY MTD), and backlog was at \$6.9M (82% of Dec 2018 ending backlog of \$8.5M)
  - Mgmt is breaking past practice of giving significant price discounts at year end to pull in revenue from the subsequent year

	Nov 2019		YTD	
Period	Rev	EBITDA	Rev	EBITDA
19A	3.1M	0.2M	40.4M	3.9M
19B	3.6M	0.5M	44.6M	9.2M
19A % of 19B	85%	31%	90%	42%
18A	2.8M	0.5M	40.8M	9.5M
19A % of 18A	110%	31%	99%	41%

## Status Update: Project Details

Project	Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
			Projected	Actual
<b>A. Address quality issues</b> (Don Cinnamon, Craig Saunders, Mark LeMire, Andrew Martinez) 	<ul style="list-style-type: none"> <li>Don (new Quality Mgr) started on Mon 11/18</li> <li>Weekly Quality Issues Review kicked off on Tue 11/26</li> <li>Don to present initial observations and quality plan at Nov MOR on Wed 12/18</li> <li>Held intro call with Don and Rick Melito on Thu 12/12 to discuss Don's observations/plan</li> </ul>	Q1 2020	TBD	TBD
<b>B. Establish globally consistent pricing strategy</b> (Andrew Martinez, Mary Cox, Steve Tonkel, Matt Williams) 	<ul style="list-style-type: none"> <li>Mgmt holding weekly calls to accelerate data mining and identify current list pricing, avg sale price, discount levels by customer segment/region, avg margin by customer segment/region</li> <li>In process of developing data cube; then will conduct pricing analysis</li> <li>Later, will explore using Simon Kucher (or another consultant) to conduct analysis to further optimize pricing levels and build model for ongoing pricing optimization</li> </ul>	Announcement to market by 3/1/2020 New pricing implemented as of 4/1/2020	TBD	TBD

## Status Update: Project Details

Project	Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
			Projected	Actual
<b>C. Launch refreshed brand and digital market presence (i.e., website)</b> <i>(Kelly Edney, OGx)</i> 	<ul style="list-style-type: none"> <li>Review of potential IP-infringement of new logo has uncovered similar logos; revised logo (see upper left-hand side of this page) has been reviewed with "manageable risk" in top 3 countries (US, India, China); will take 4 weeks to get formal trademark approval</li> <li>Brand style guide draft presented to mgmt. on 11/15; iterating on final version; sell sheets template in progress</li> <li>Team finalized positioning statements, website architecture, and brand rollout plan</li> <li>Team in process on copy development</li> </ul>	New website and rebranding launch on 2/3/2020	Enabler	Enabler
<b>D. Develop new industrial design aesthetic for existing and new products</b> <i>(Devon Ratliff, Kelly Edney, Patrick Cunningham, OGx)</i> 	<ul style="list-style-type: none"> <li>Working with engineering and manufacturing partner in Asia (Willie Wu) to determine realistic timeline; will likely extend into Q2 2020</li> <li>In process of getting tooling quotes</li> <li>Fully functional demo app (with AWS integration) received from OGx and in testing</li> </ul>	Q2 2020	Enabler	Enabler
<b>E. Improve installation instructions for key product lines</b> <i>(Patrick Cunningham, Kelly Edney, OGx)</i> 	<ul style="list-style-type: none"> <li>Developed plan for new keypad instructions using new template</li> <li>Will leverage external resources to finalize the document to be included with the new keypad</li> </ul>	Q1 2020	TBD	TBD
<b>F. Develop new core products</b> <i>(Patrick Cunningham, Devon Ratliff)</i> 	<ul style="list-style-type: none"> <li>Prioritized product development pipeline through Q2 2020, focused on opportunities that are highly strategic, large and highly certain, and high ROI</li> <li>Liberty has indicated they are largely satisfied with Securam electronic lock quality (warranty issues reduced 60%+ vs. S&amp;G); will have to compete on new features to win back business</li> <li>Business Case (ROC) models for potential 3Q/4Q 2020 products complete. Financials being developed to validate prioritization and inclusion in 2020 AOP</li> </ul>	Commercialization dates from Nov 2019 through Dec 2020	\$1.6M	\$0



Complete



Just started



On Track



At Risk





Behind Schedule

CONFIDENTIAL



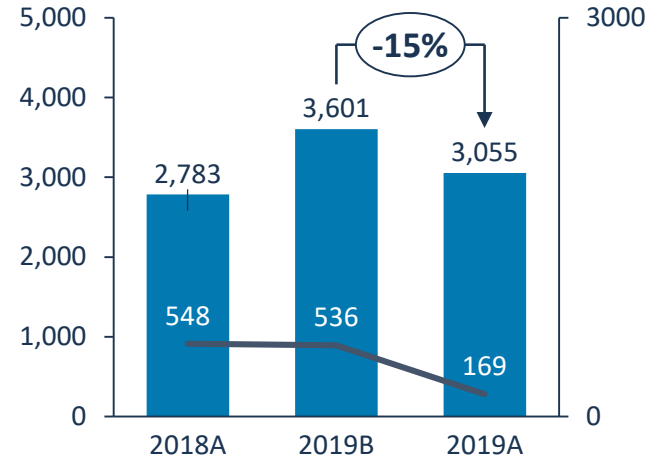
## Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>G. Develop SIOP process using historical data analytics</b> <i>(Michael Rose, Craig Saunders, OGx)</i>		<ul style="list-style-type: none"> <li>Mgmt using Nov as the first true forecast run. Forecast accuracy for Nov will be provided in Dec.</li> <li>Mgmt using Power BI to display data within the SIOP presentation, which will include forecast by region, inventory metrics, and on time delivery metrics</li> <li>Utilization of new CRM tool for sales opportunities will be critical to improving forecast accuracy. New CRM tool will be in place during phase 1 of NetSuite (March 2020). Will begin using opportunities from the weekly sales call in the interim.</li> </ul>	Dec 2019 (delayed from Sep 2019)	TBD	TBD
<b>H. Deploy manufacturing technology to improve quality</b> <i>(Craig Saunders, OGx)</i>		<ul style="list-style-type: none"> <li>On packaging lines, management implementing \$1K barcode software leveraging existing barcode hardware to address packaging quality issues; much more cost effective than original ~\$60K vision system and software identified by OGx</li> <li>Software update on barcode scanning has been implemented. Will require barcoding of all components.</li> <li>Review will begin internally to identify alternate areas to deploy AI vision systems with an appropriate ROI.</li> </ul>	Q4 2019 (delayed from Q3 2019)	TBD	TBD

# Monthly Financial Metrics

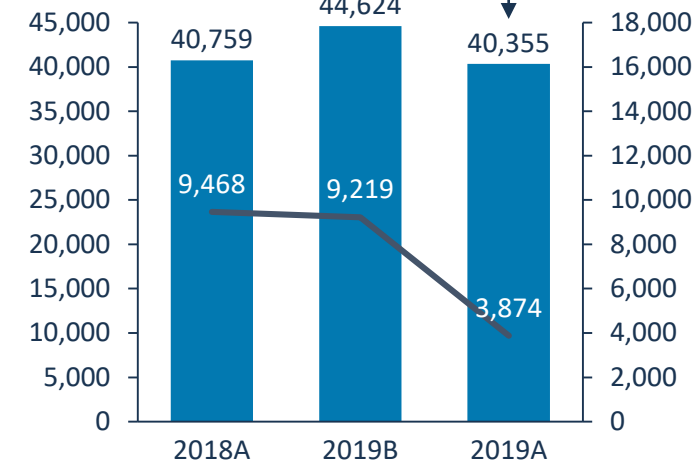
## November MTD

\$000s



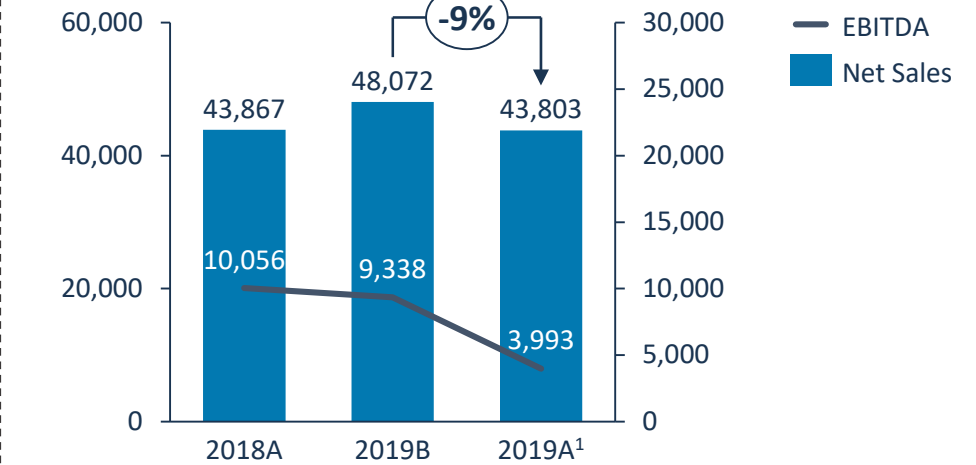
## November YTD

\$000s



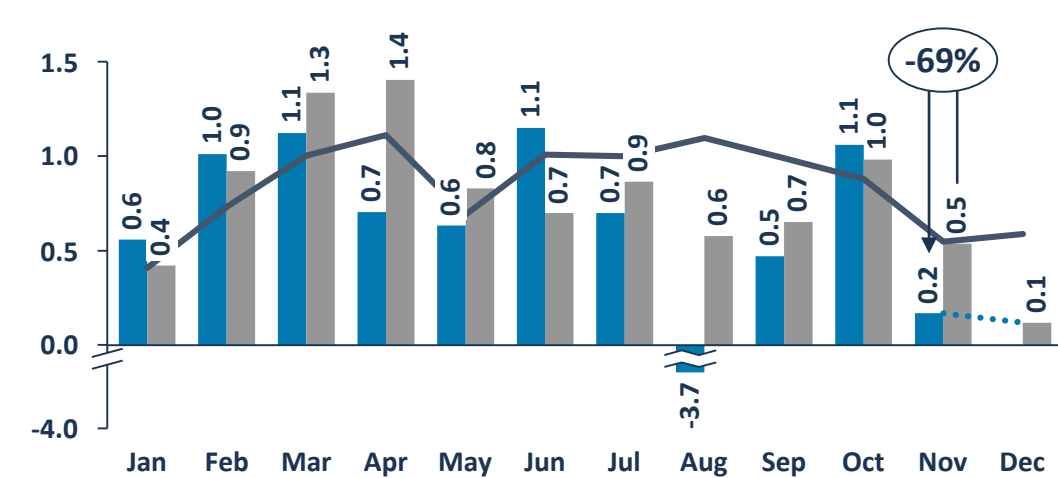
## Full Year

\$000s



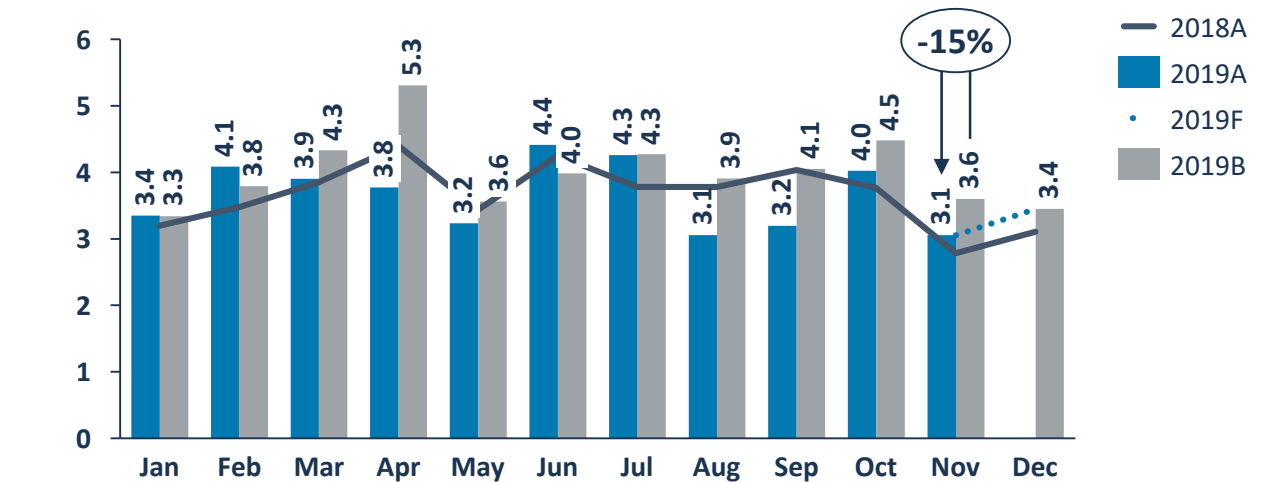
## Monthly EBITDA

\$ millions



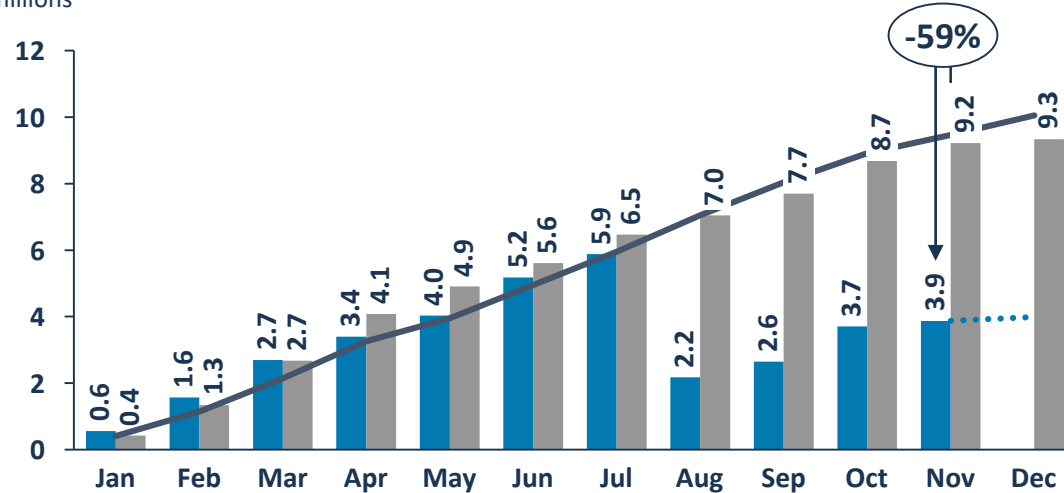
## Monthly Net Revenue

\$ millions



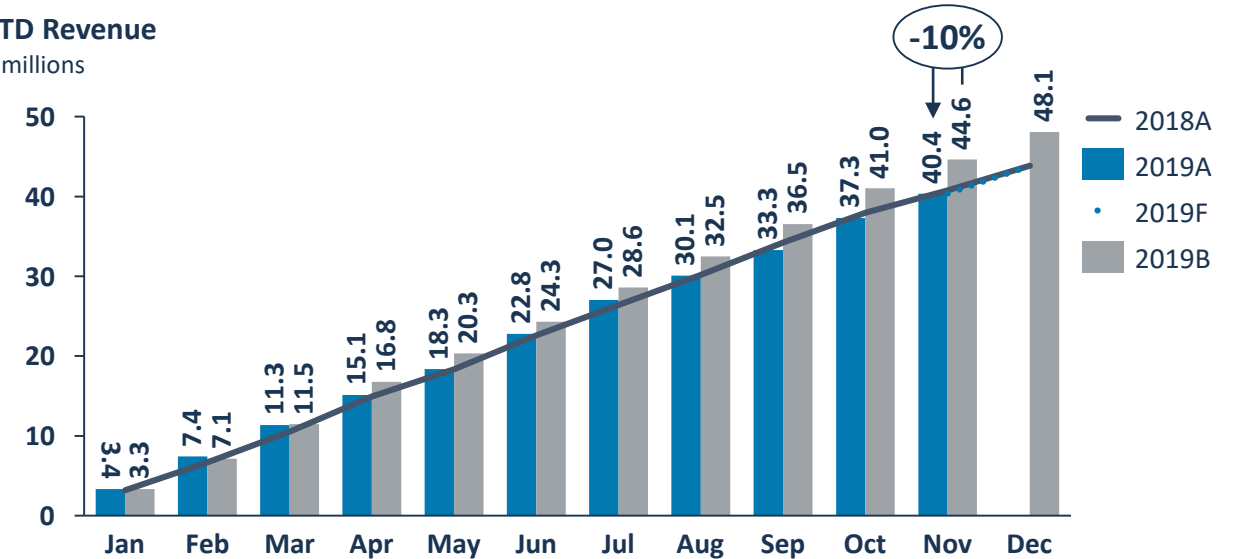
## YTD EBITDA

\$ millions



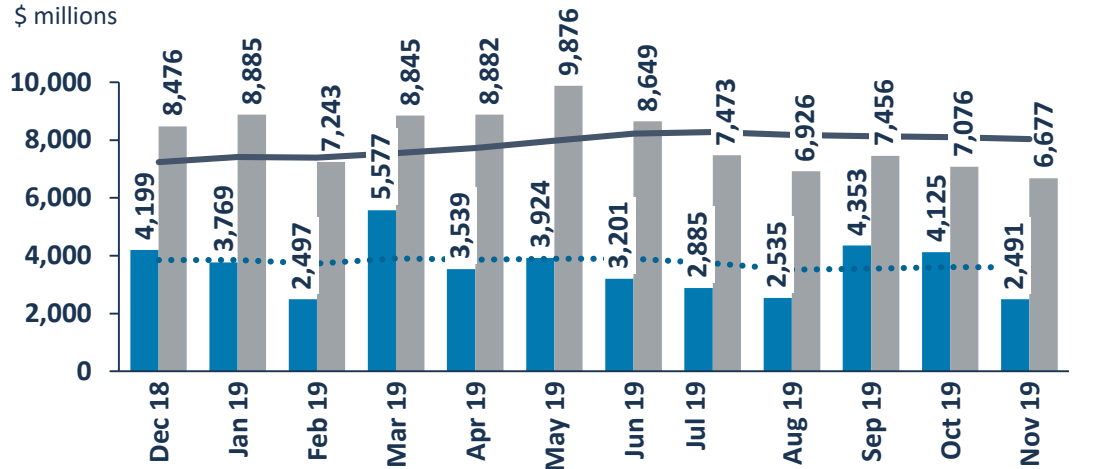
## YTD Revenue

\$ millions



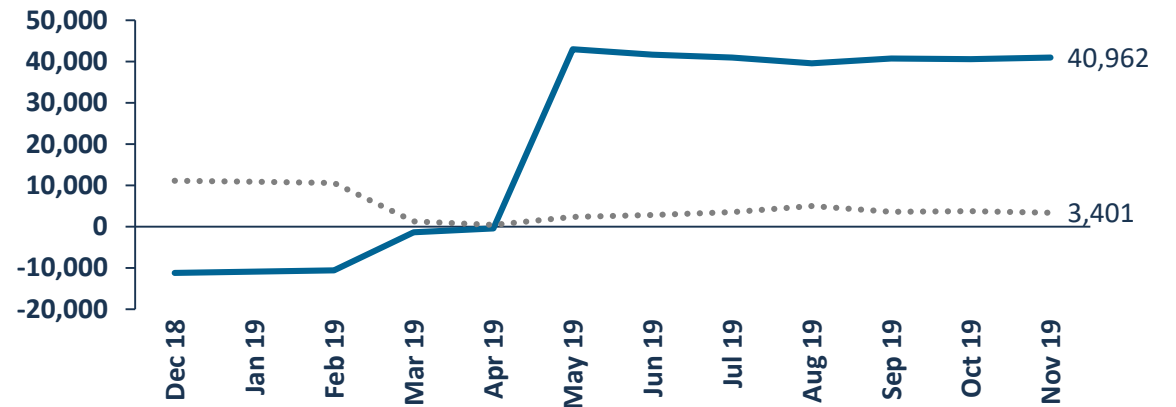
## Order Intake

\$ millions



## Liquidity

\$ millions



• TTM Avg Bookings • MTD Bookings — TTM Avg Backlog ■ MTD Backlog

— Net External Debt

• Cash and Cash Equivalents



## 2.d | Duraco

## Executive Summary: November 2019

- November results: Revenue @ \$3.1MM (94% of re-forecast, 95% of PY) and EBITDA @ \$0.80MM (119% vs. re-forecast, 70% vs. PY). *\*Note that reported EBITDA is not fully burdened for standalone costs; "indicative" EBITDA will be lower, but still higher than PY*
- Revenue lower than PY / re-forecast due to weak demand in first two weeks of the year; EBITDA primarily higher due to open commercial roles
- OGx: Continues to serve as commercial advisor on co-product development agreement with high growth customer (MixTiles); agreement discussions still in-progress
- Add-on acquisitions: Exclusivity for Infinity Tapes; focusing on operational (commercial & production) integration plan






	Nov 2019		YTD	
Period	Rev	EBITDA	Rev	EBITDA
19A	\$3.1	\$0.80MM	\$38.9	\$10.5MM
19F*	\$3.29	\$0.67MM	\$38.88	\$9.88MM
19A % of 19B	94%	124%	100%	106%
18A	\$3.2	\$1.14MM	TBD	TBD
19A % of 18A	94%	70%	TBD	TBD

\*19F = 2019 re-forecast

## Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
A: Salesforce effectiveness (Smart Ventures, Long)		• Final readout expected 12/19	Q4 2019	TBD	TBD
B: Pricing		• In discussions with management on accelerating data activities	Q2 2020	TBD	TBD
C: New Market Entry		• Kick-off held this week with Hudston Growth Partners / Beckway	Q1 2020	TBD	TBD
D: ERP Integration		• ERP discovery sessions held this week	July 2020		

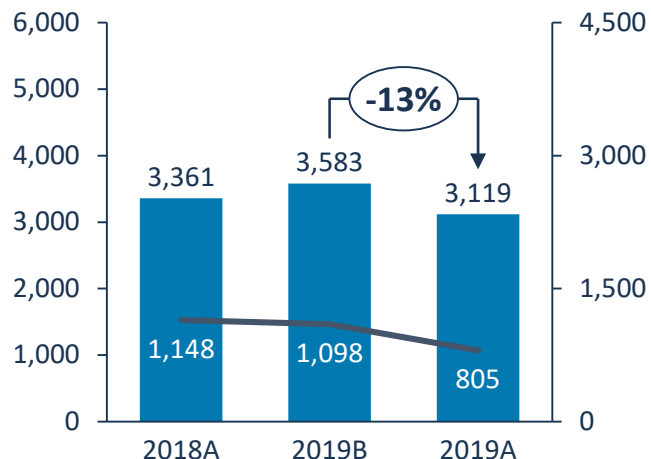
## Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>E: CRM Launch</b>		<ul style="list-style-type: none"> <li>Initial scoping phases</li> </ul>	March 2020	TBD	TBD
<b>F: eCommerce Platform Launch</b> (Avenue)		<ul style="list-style-type: none"> <li>Selected Avenue as partner / Magento as platform; initial discovery meeting completed</li> </ul>	April 2020	TBD	TBD
<b>D: New Product Development Acceleration</b> (OGx)		<ul style="list-style-type: none"> <li>Engaged with Avi to advise on co-development opportunities</li> </ul>	TBD	TBD	TBD
<b>E: Continuous Improvement</b> (Phil, Randy Aardema)		<ul style="list-style-type: none"> <li>Labor and Overhead productivity</li> <li>Focus on eliminating finger-lift constraint</li> </ul>	TBD	TBD	TBD
<b>F: Sourcing / Spend Reduction</b>		<ul style="list-style-type: none"> <li>Developed implementation plan for sourcing “waves” approach over next 15 months; quantification in-progress</li> <li>Leveraging existing GPOs (e.g., CoreTrust) for quick-wins with indirect spend for travel / p-card initially</li> </ul>	TBD (Waves)	TBD	TBD



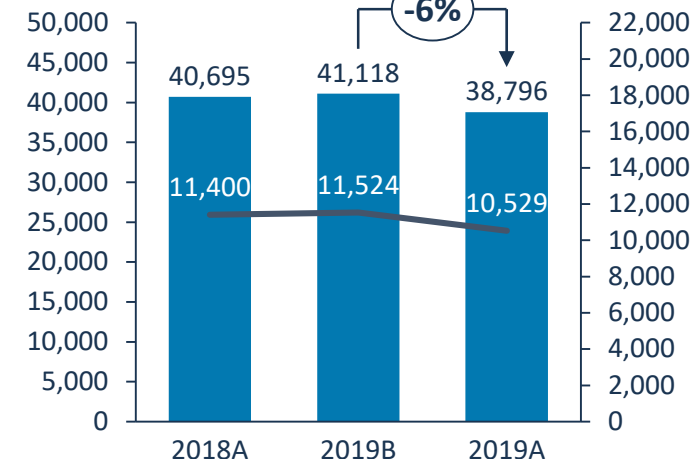
## November MTD

\$000s



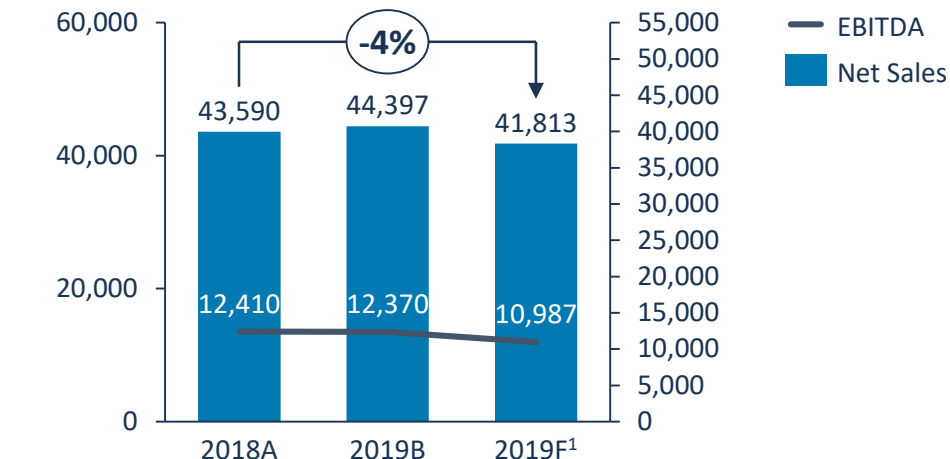
## November YTD

\$000s



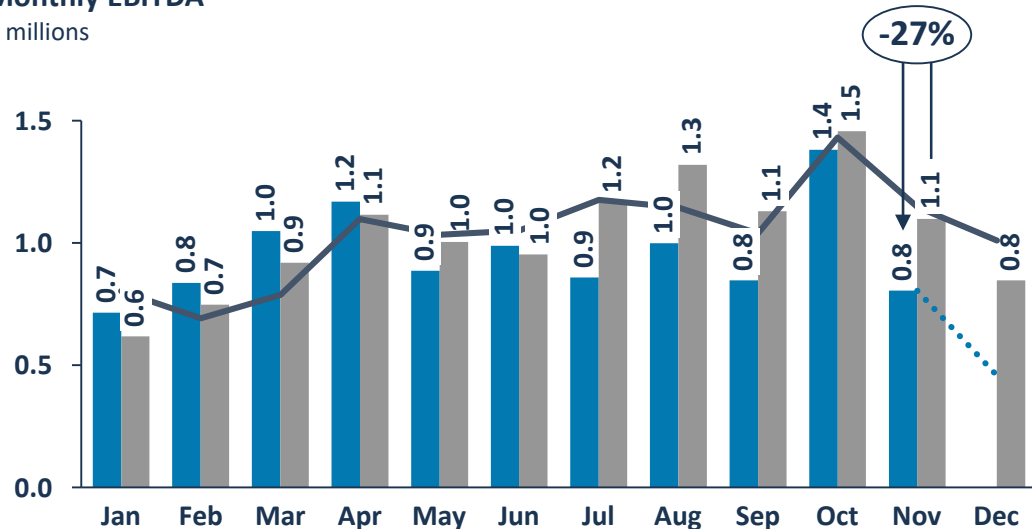
## Full Year

\$000s



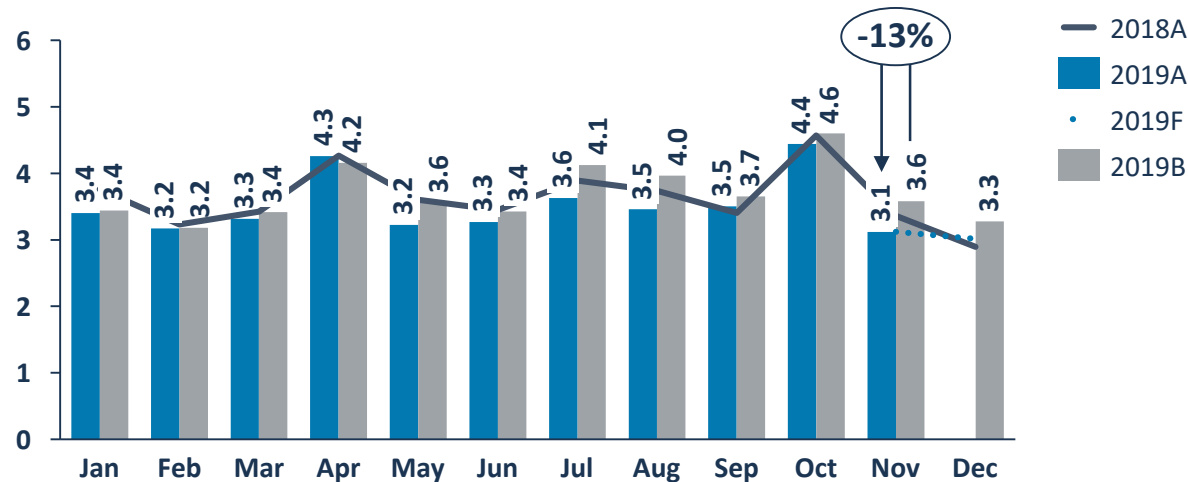
## Monthly EBITDA

\$ millions



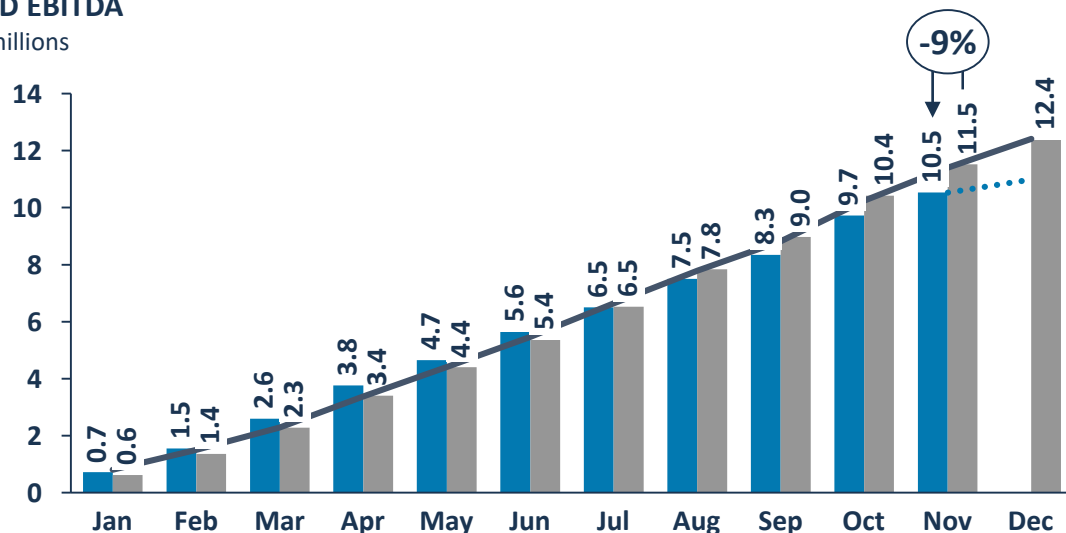
## Monthly Net Revenue

\$ millions



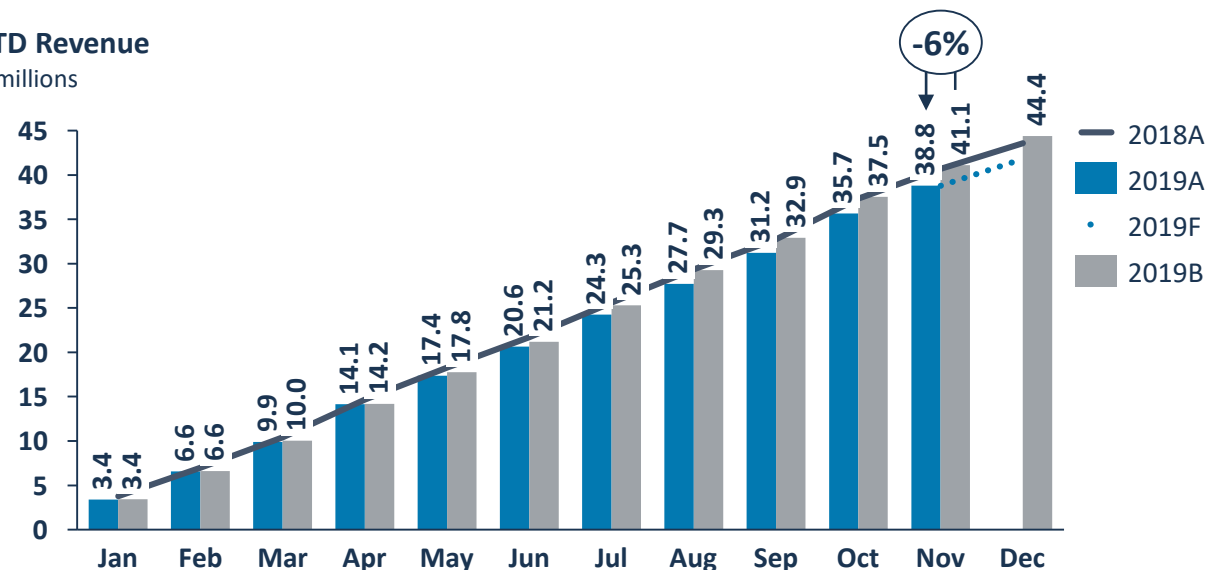
## YTD EBITDA

\$ millions



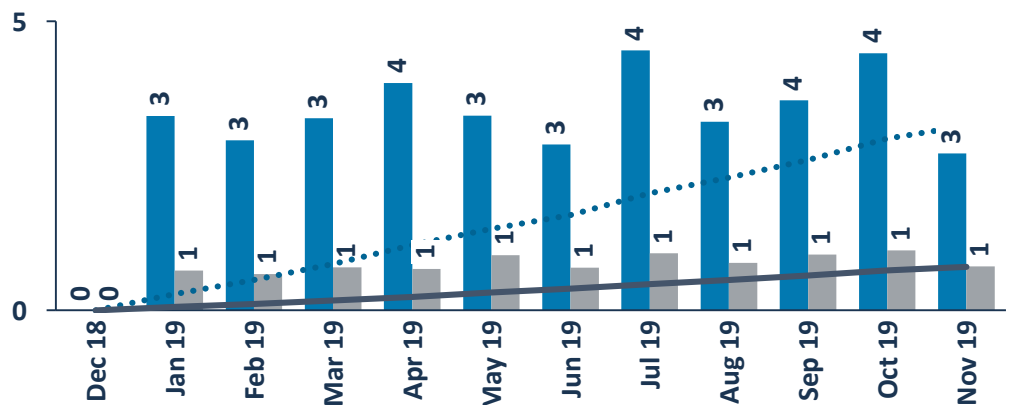
## YTD Revenue

\$ millions



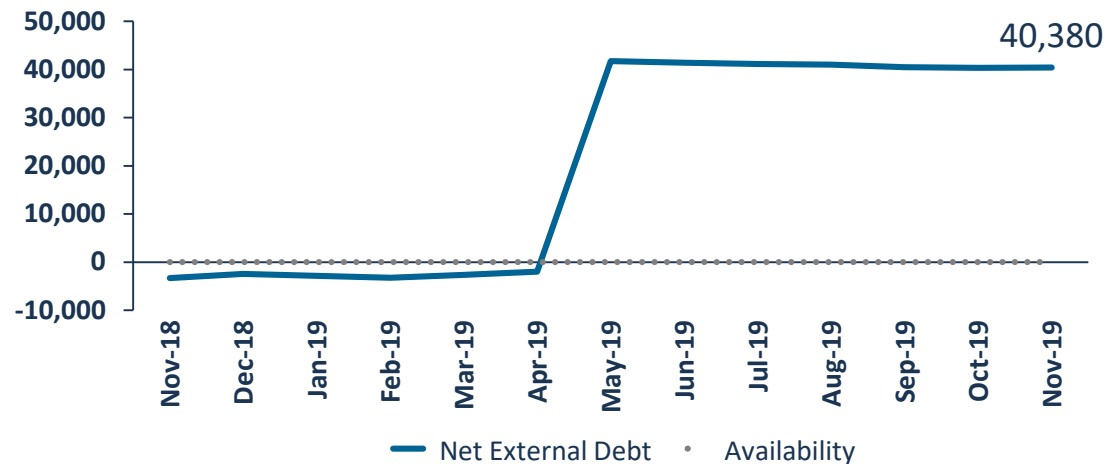
## Order Intake

\$ millions



## Liquidity

\$ millions



• TTM Avg Bookings    ■ MTD Bookings    — TTM Avg Backlog    ■ MTD Backlog








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## Executive Summary: November 2019

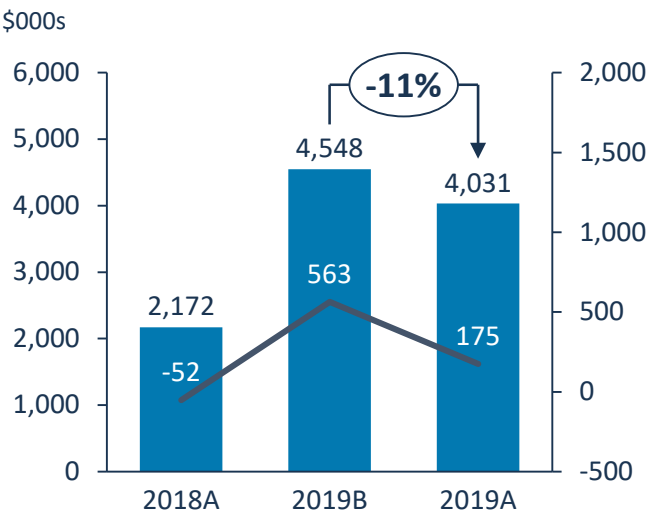
- Nov 2019 ended the month with strong performance on invoiced sales (\$5.6M, 109% of Plan) and bookings (\$6.1M, 121% of Plan) but underperformance on GAAP revenue (\$4.0M, 89% of Plan) and EBITDA (\$175K vs. \$563K Plan) due to strong subscription invoiced sales (\$1.8M vs. \$0.7M Plan), which is mostly recognized in future months; however, YTD GAAP revenue and EBITDA at/above Plan (100% and 122%, respectively)
  - Improved new customer adoption at 197 (trending up from prior month of 188)
  - Large orders from WeWork (\$1.7m), IQVIA (\$297k), Nexus International School (\$226k), Santander (\$147k)
- No OGx activity in Nov 2019
- At 12/12 (45% through the month), Dec MTD invoiced sales were at \$3.0M (55% of Plan) and bookings were at \$2.7M (49% of Plan)
  - Dec 2019 invoiced sales and bookings target of \$5.5M, up from \$5.1M in Nov, \$4.8M in Oct, \$4.5M in Sep, \$4.3M in Aug, \$4.0M in Jul, \$3.9M in Jun, \$3.5M in May, and \$3.2M in Apr

	Nov 2019		YTD	
Period	Rev	EBITDA	Rev	EBITDA
19A	4.0M	175K	37.7M	1,191K
19B	4.5M	563K	37.6M	976K
19A % of 19B	89%	31%	100%	122%
18A	2.2M	(52K)	23.4M	2,531K
19A % of 18A	186%	NM	161%	47%

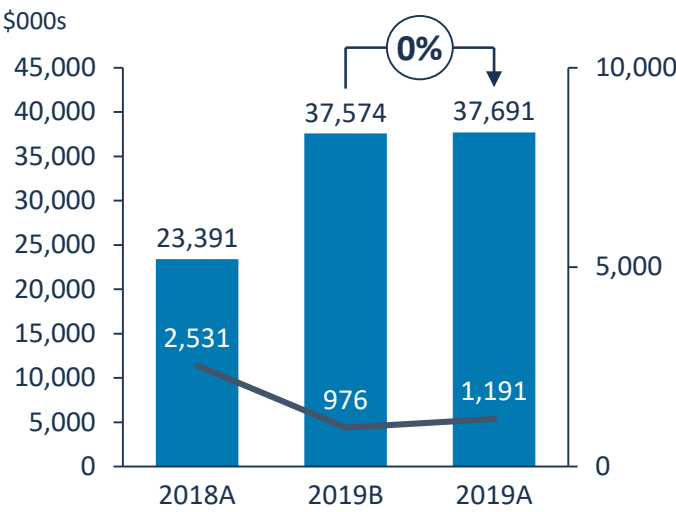
## Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>A: Expand Product Offering</b> <i>(Chris Jaynes, Jon Burns)</i>		Gen 3 hardware and Solstice 4.0 has launched; Mgmt targeting launching Solstice Solo (low-cost enterprise) pod in Q1 2020 at half-priced ASP (\$699), with significantly deprecated feature set, but ability to upgrade to full-capability pod	Gen 3 / v4.0 complete Solstice Solo targeting Q1 2020	TBD	TBD
<b>B: Develop VTC Strategy</b> <i>(Chris Jaynes)</i>		Solstice RoomLink (aka VTC integration) underway; prototype demo'd June 12-14 at Infocom, with very positive feedback; mgmt. provided demo to OGC at Q3 QOR	Feb 2020 in Amsterdam at ISE Conference	TBD	TBD
<b>C: Expand Sales Coverage</b> <i>(Rick Emery)</i>		Recent hires in US; interviews ongoing in US and EMEA	Ongoing	TBD	TBD
<b>D: Drive Recurring Revenue</b> <i>(Rick Emery)</i>		Nov subscription invoiced sales of \$1.8M beat \$0.7M Plan	Ongoing	TBD	TBD
<b>E: Enable Recurring Revenue Reporting</b> <i>(Dan Hudspeth)</i>		Mgmt is restructuring the order entry process using Salesforce, rather than implementing the NetSuite contract management module, which would have been used to enable recurring revenue reporting. Mgmt in process of determining an alternative approach to provide the required reporting.	TBD	<i>Enabler</i>	<i>Enabler</i>

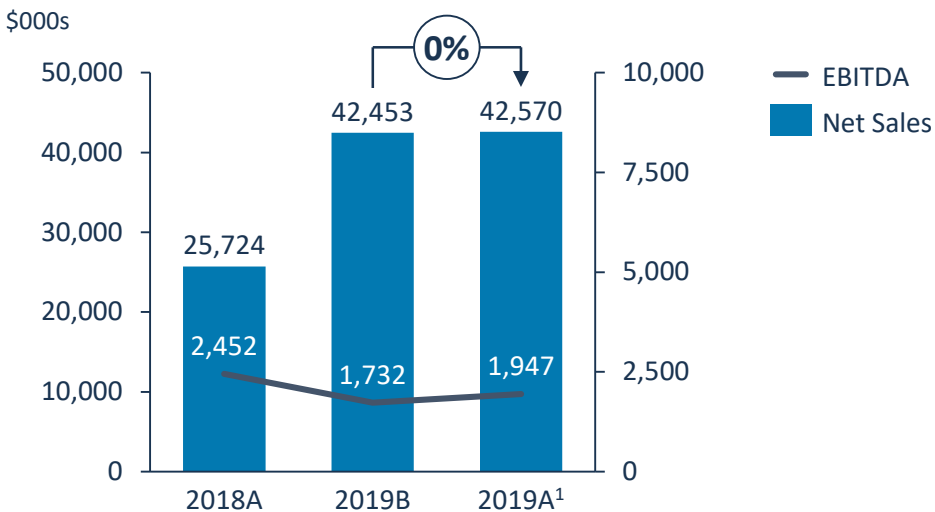
**November MTD**



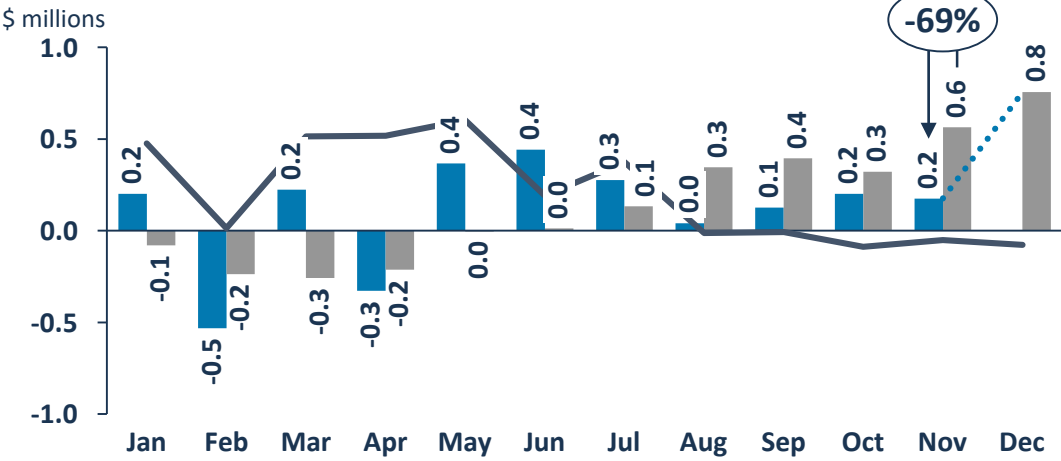
**November YTD**



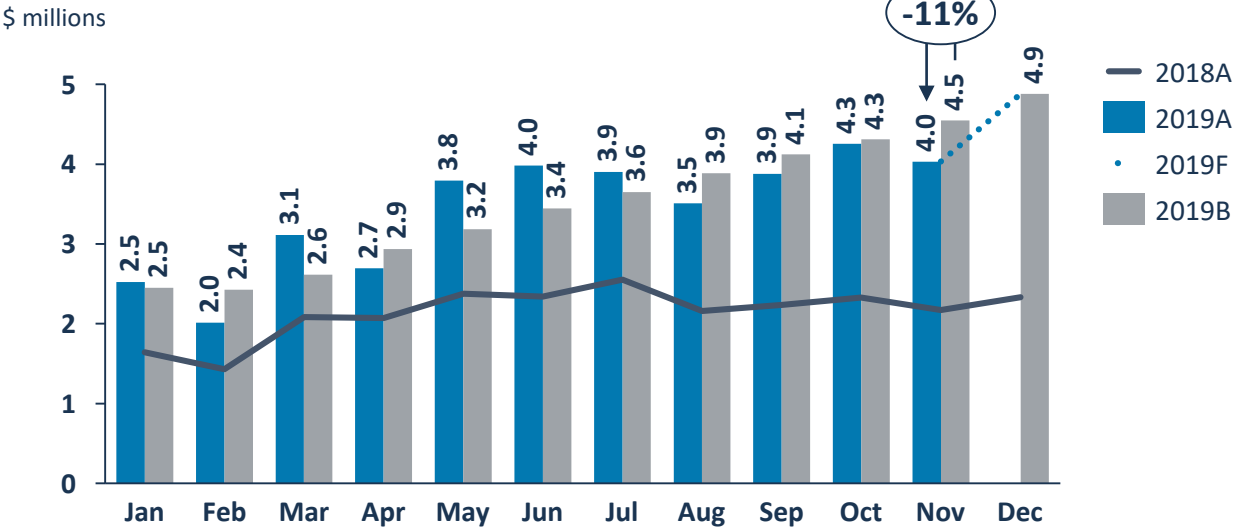
**Full Year**



**Monthly EBITDA**

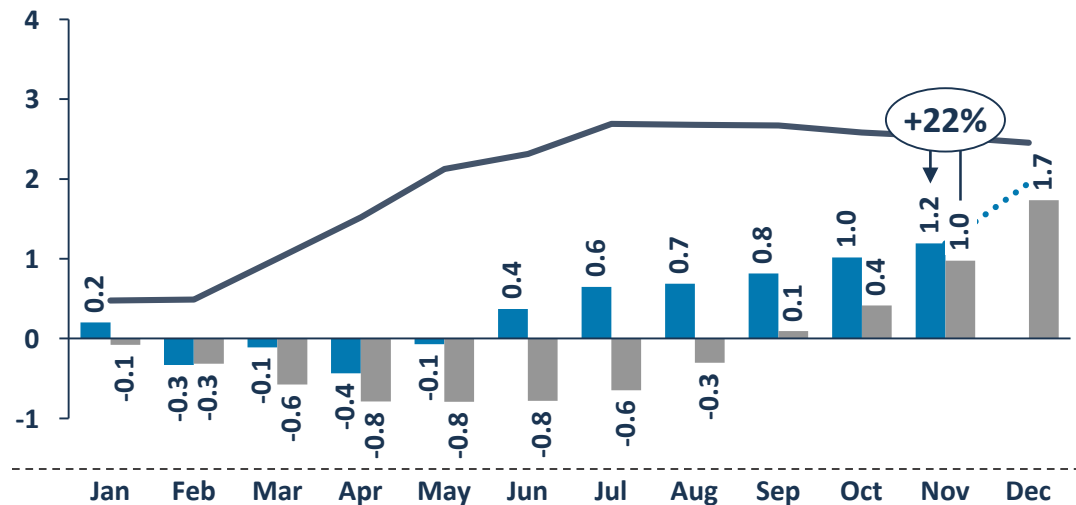


**Monthly Net Revenue**



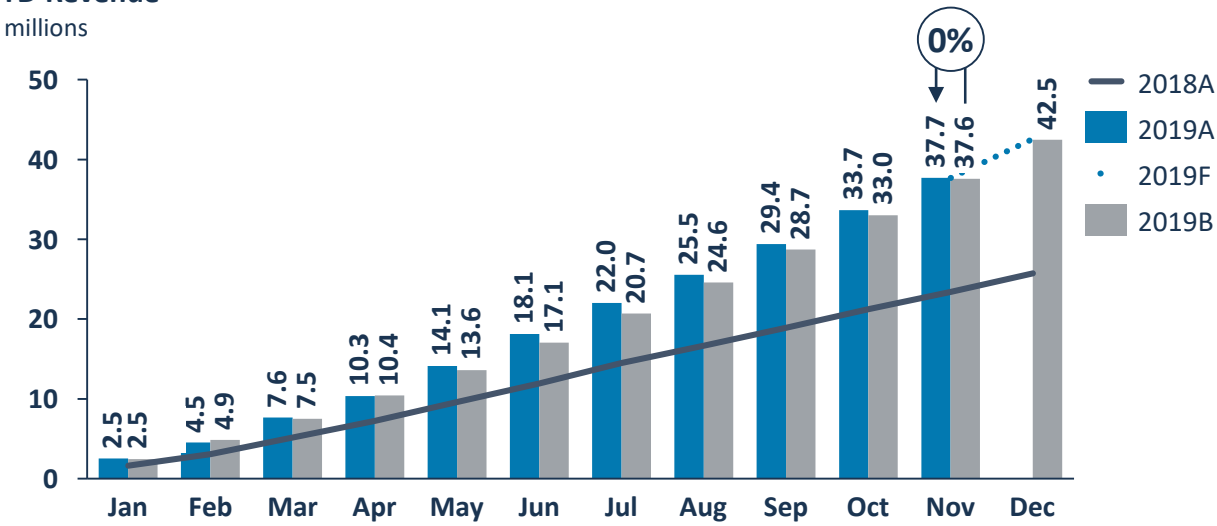
## YTD EBITDA

\$ millions



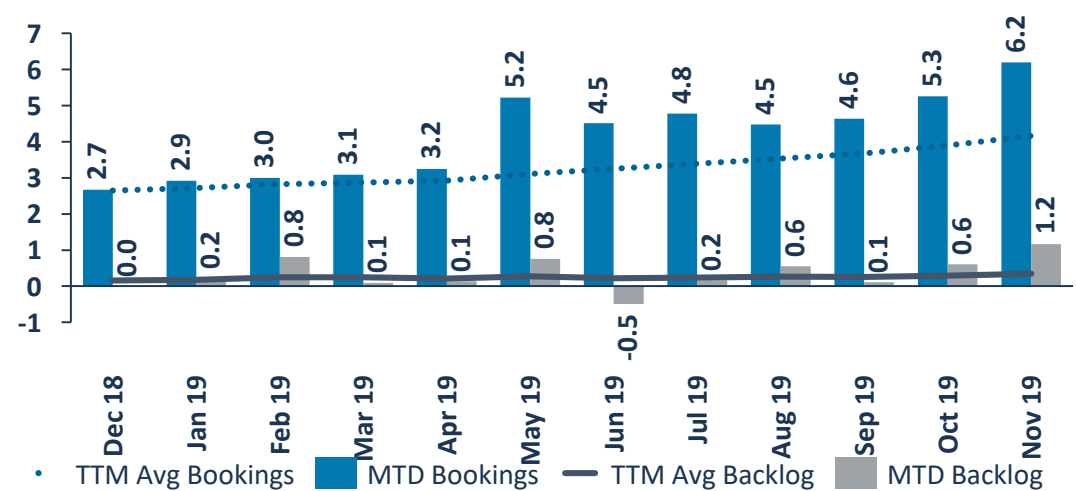
## YTD Revenue

\$ millions



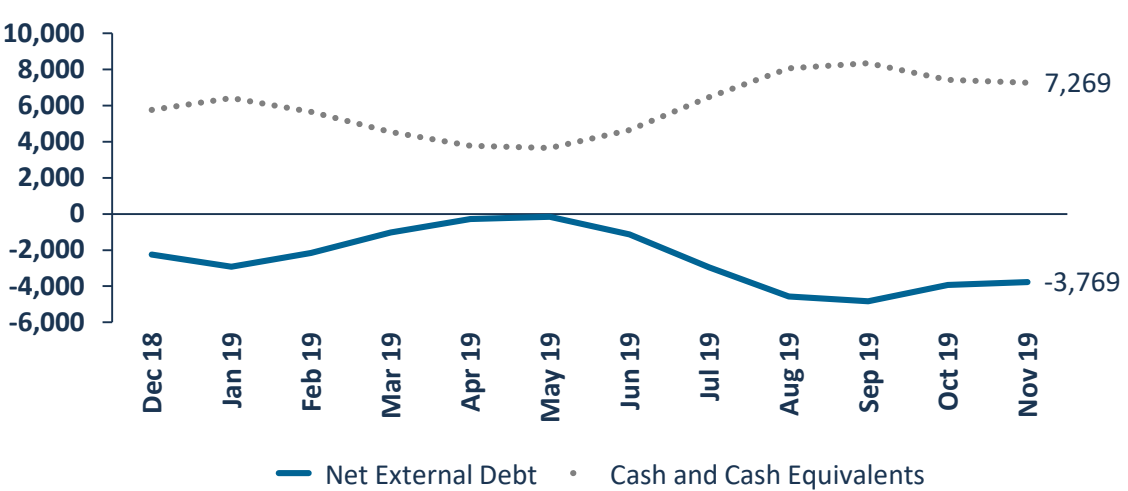
## Order Intake

\$ millions



## Liquidity

\$ millions





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## Executive Summary: November 2019

- Nov 2019 ended the month below Plan, with revenue at \$0.9M (89% of Plan) and Adj EBITDA at \$76K (42% of Plan); however, YTD revenue was 97% of Plan and YTD Adj EBITDA was 119% of Plan
  - Marketing leads up 111% and sales leads up 59% over PY
- AM working with Rik and Loren to develop management equity allocations
- No OGx activity in Nov 2019
- At 12/6 (24% through the fiscal month), Dec MTD bookings were at \$0.3M (14% of Plan)






	Nov 2019			YTD	
Period	ARR	Rev	EBITDA	Rev	EBITDA
19A	9.5M	0.9M	20K	9.7M	\$339K
19B	9.8M	1.0M	127K	9.9M	\$149K
19A % of 19B	98%	89%	16%	97%	228%
18A	7.1M	0.8M	(44K)	8.3M	(\$1.1M)
19A % of 18A	134%	118%	NM	117%	NM

## Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>A. Restructure the product machine organization</b> <i>(Loren Goodman)</i>		<ul style="list-style-type: none"> <li>New product machine organization documentation finalized Thu 11/7 and presented to the full company Thu 11/14</li> <li>Chief Product Officer has verbally accepted offer as of Tue 12/10</li> </ul>	Dec 2019	TBD	TBD
<b>B. Deliver decision services product feature</b> <i>(Dan Reynolds)</i>		<ul style="list-style-type: none"> <li>Released Tue 12/10</li> </ul>	Dec 2019	TBD	TBD



## Status Update: Project Details

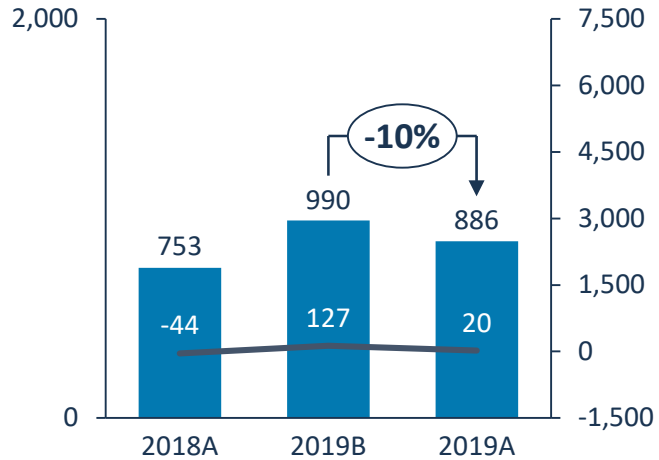
Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>C. Deliver centralized authentication capability</b> <i>(Dan Reynolds)</i>		<ul style="list-style-type: none"> <li>Released week of 10/21</li> </ul>	Oct 2019	TBD	TBD
<b>D. Develop integrations team strategy and roadmap</b> <i>(Mark Lonsway, Dan Reynolds)</i>		<ul style="list-style-type: none"> <li>Beginning proof of concept research for Microsoft Dynamics PowerApp Portal integration; factoring in feedback from American Airlines</li> <li>Signed Microsoft AppSource ISV (Independent Software Vendor) contract; avoided InRule being removed from AppSource platform; management expects revenue share agreement to cost us ~\$30-60K/year for existing customers, and increase to ~\$100-200K/year by the end of 2020 (reflecting additional customer growth)</li> </ul>	Mar 2019	TBD	TBD
<b>E. Develop services strategy</b> <i>(Mark Lonsway)</i>		<ul style="list-style-type: none"> <li>Setup tracking process in CRM</li> <li>Early prototype of Time Entry in segmentation in PowerBI</li> <li>Next steps: Establish back office reporting, utilization, and metrics tracking</li> </ul>	Dec 2019	TBD	TBD
<b>F. Develop recruiting strategy to fill key ongoing positions</b> <i>(Beth Worthem, Functional Leaders)</i>		<ul style="list-style-type: none"> <li>Accounting Manager: Candidate started Tue 11/12</li> <li>IT Manager: IT Mgr started on Mon 12/9</li> <li>Sales Development Rep: First new SDR started Mon 12/2; moving forward with second new SDR hire</li> <li>Chief Product Officer: Verbal offer acceptance received as of Tue 12/10</li> </ul>	Acct Mgr: Nov 2019 IT Mgr: Dec 2019 SDR: Dec 2019 CPO: Jan 2020	TBD	TBD
<b>G. Develop embedded authoring services</b> <i>(Dan Reynolds)</i>		<ul style="list-style-type: none"> <li>In process of iterating on usability and UI; working through the bug list</li> <li>Loren and Dan are incorporating feedback from demo to Microsoft</li> <li>On track to release by mid- to late-Dec</li> </ul>	Dec 2019	TBD	TBD

## Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
<b>H. Develop channel strategy</b> <i>(Michael Bonner)</i>		<ul style="list-style-type: none"> <li>Kicking off recruiting process for Alliance Manager (channel manager)</li> <li>Next steps: continue to gather existing alliance data and organize in CRM, define success metrics for channel</li> </ul>	Jan 2020	TBD	TBD
<b>I. Develop sales team strategy</b> <i>(Michael Bonner)</i>		<ul style="list-style-type: none"> <li>First new Sales Development Rep starts in Dec</li> <li>Will be moving forward with an additional SDR hire by Jan 2019</li> </ul>	Jan 2020	TBD	TBD

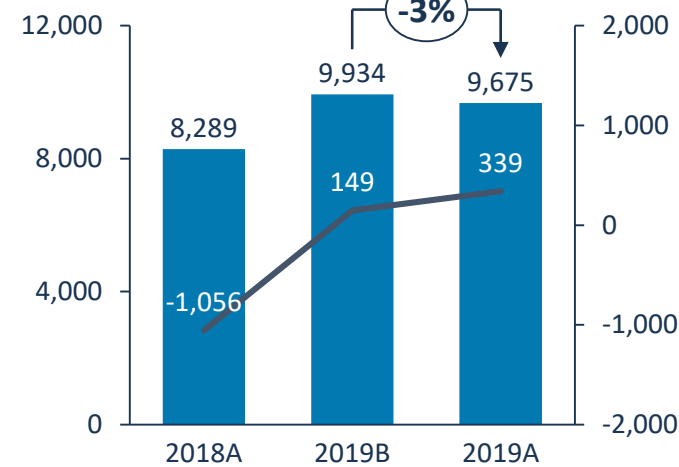
## November MTD

\$000s



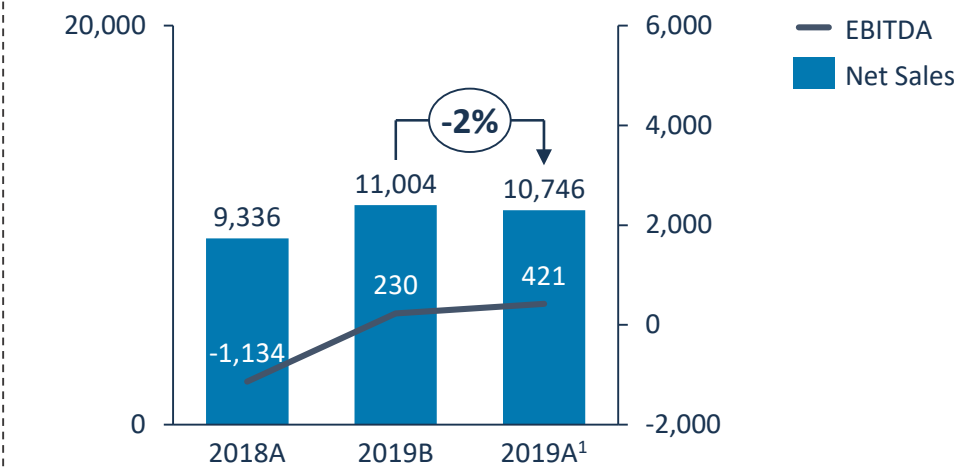
## November YTD

\$000s



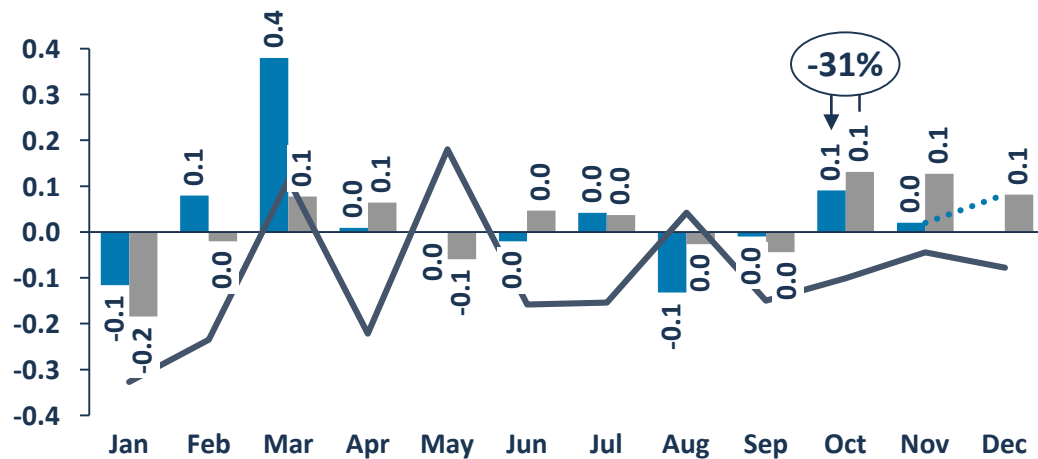
## Full Year

\$000s



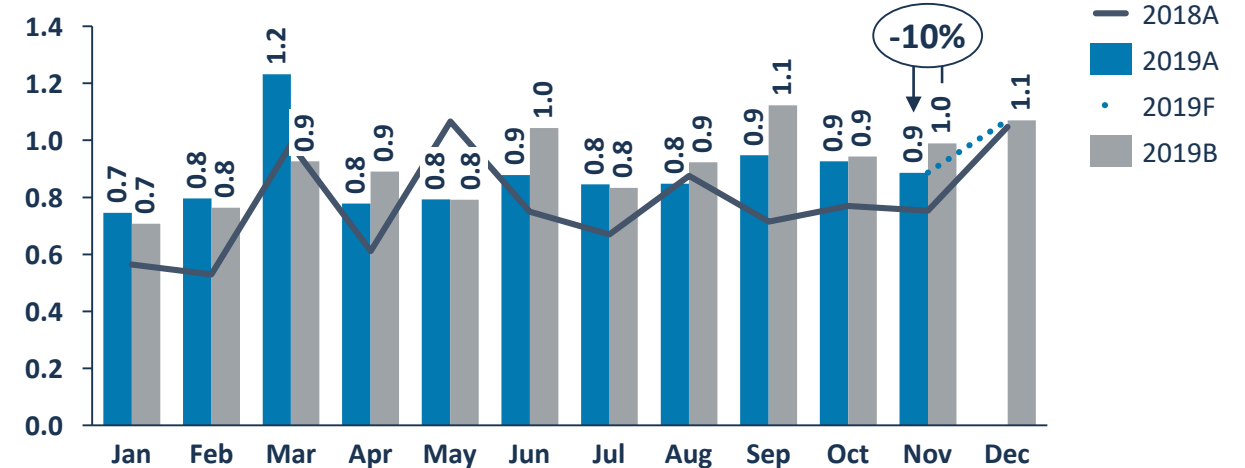
## Monthly EBITDA

\$ millions



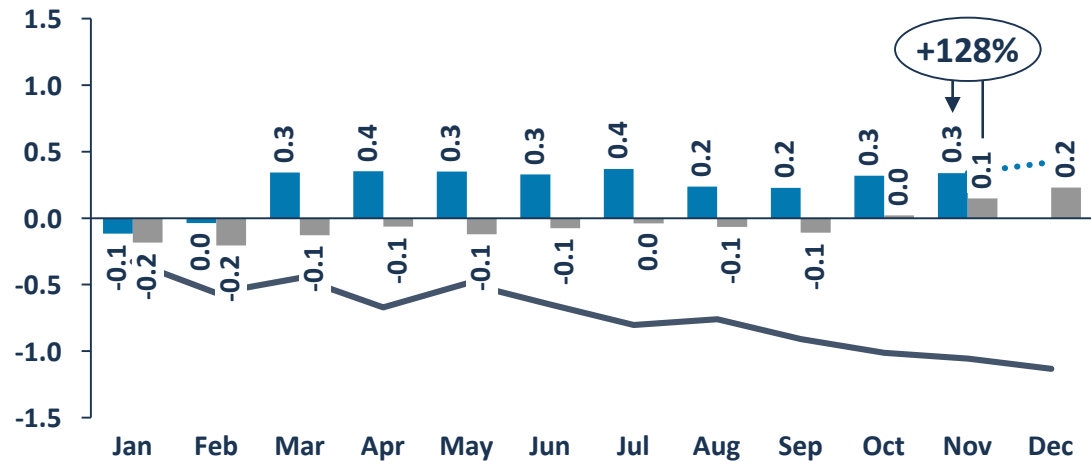
## Monthly Net Revenue

\$ millions



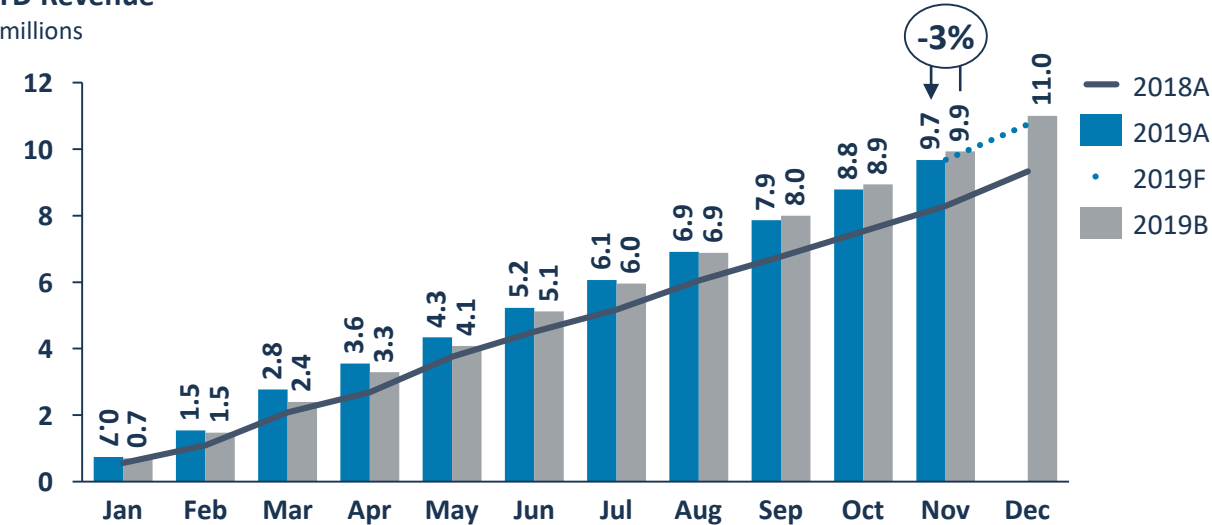
YTD EBITDA

\$ millions



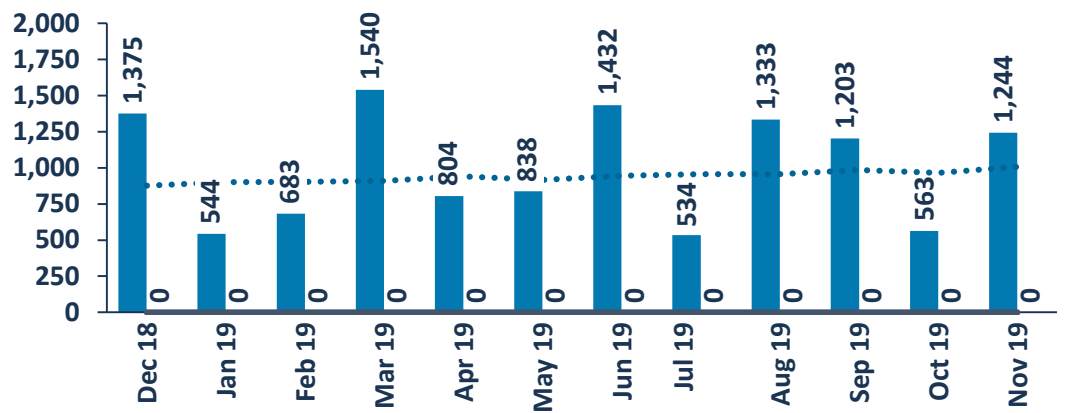
YTD Revenue

\$ millions



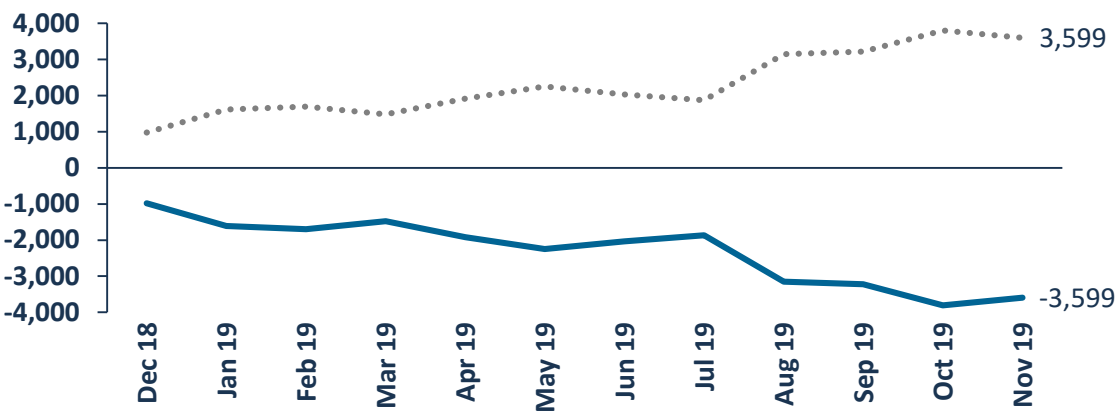
Order Intake

\$ millions



Liquidity

\$ millions



• TTM Avg Bookings • MTD Bookings — TTM Avg Backlog ■ MTD Backlog

— Net External Debt  
• Cash and Cash Equivalents

2.g | CoreMedia

Executive Summary: November 2019

- Recurring revenues grew by +11% vs PY; results negatively impacted by lower one time revenues; +€1M price adjustment from WC expected
- PWC analysis suggests an additional purchase price adjustment of +€1M in favor of OGC due to final WC closing balances
- Nov total revenues sales were -10% below PY due to lower one time customer success revenues, which could not get compensated by growth in recurring revenues (+11%, growth fueled by +31% in term based license - TBL/SAAS);
- LTM revenues grew +2%, with recurring revenues growing +18% while non recurring revenues decreased -22%
- Global deal pipeline at €31M (total contract value) of which 45% is in the US, versus €16M end of 2018; growth predominantly driven by North America
- Booking of Life Fitness deal in NA with TCV of \$350 mid December; US pipeline conversion initiated
- Net retention rate of annualized recurring revenues at 103% and customer churn at 8%
- FTE base at 162 versus 155 in PY, growth mainly in sales (+4.1 FTE), marketing (+1.5 FTE) and product management (+1 FTE)
- The lower revenues in Nov coupled with a higher cost runrate (-€2.1M of which 62% personnel cost) generated the EBITDA underperformance vs PY; LTM EBITDA at -€0.6M (including +€2M capitalized R&D cost)
- Liquidity is comfortable at €4.4M
- Budget 2020: planning session with management in Hamburg on Dec 19 and strategy session planned for the week of January 20

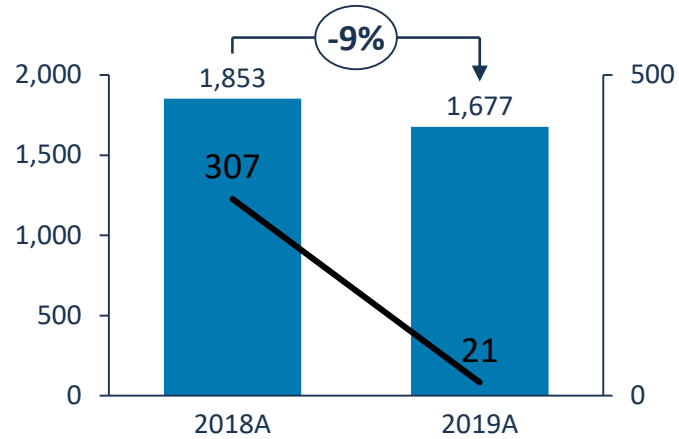
M €	MTD		YTD		Full Year	
Period	Rev	EBITDA	Rev	EBITDA	Rev	EBITDA
19A	1.7	0.0	18.9	-0.3	20.5	-0.6
19B	1.9	0.2	19.6	-0.1	21.5	-0.6
19A % of 19B	86%	14%	96%	Na	95%	Na
18A	1.9	0.3	18.2	1.9	19.8	1.6
19A % of 18A	90%	Na	104%	Na	104%	na

Status Update: Project Details

Project		Current Status & Next Steps	Timing	Annualized EBITDA Impact (\$MM)	
				Projected	Actual
A. Budget 2020 & strategy workshop	●	<ul style="list-style-type: none"><li>• Budget 2020: planning session with management in Hamburg on Dec 19</li><li>• Comprehensive strategy session planned for late January 2020</li></ul>	Jan 2019	TBD	TBD
B. Implementation of reporting	●	<ul style="list-style-type: none"><li>• Current reporting very simplistic</li><li>• Holistic review required</li><li>• Implementation of IFRS accounting needed (Q1 2020)</li></ul>	Q1 2020	TBD	TBD
C. Purchase Price adjustment	●	<ul style="list-style-type: none"><li>• PWC analysis suggest an additional purchase price adjustment of +€1M in favor of OGC due to final WC closing balances</li><li>• Closing balances to be submitted to Sellers before end of Dec</li></ul>	Dec	TBD	TBD

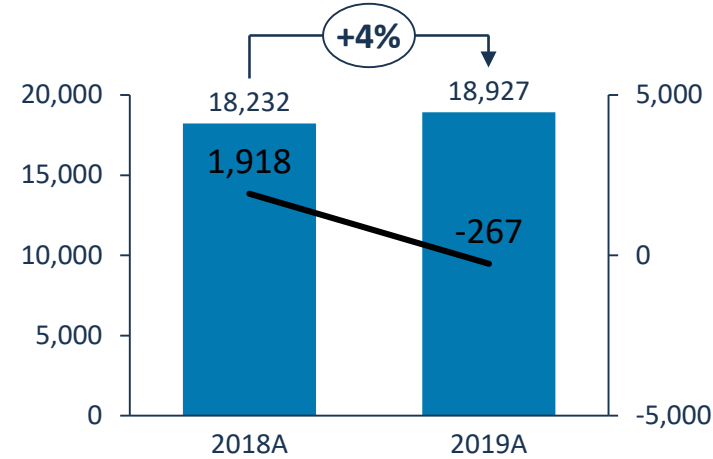
## November MTD

€000s



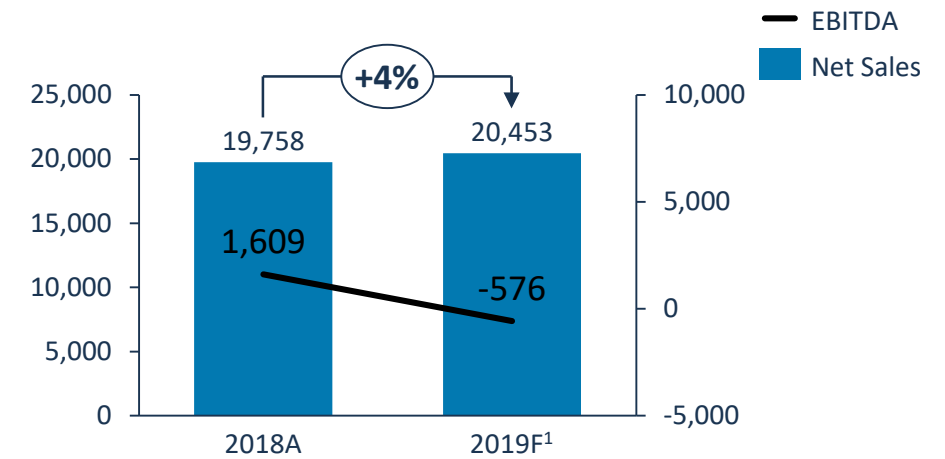
## November YTD

€000s



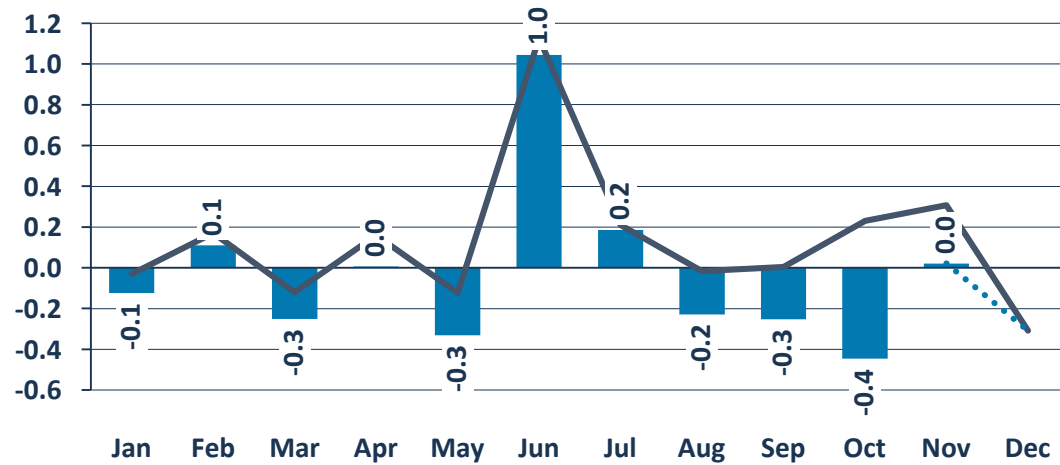
## Full Year

€000s



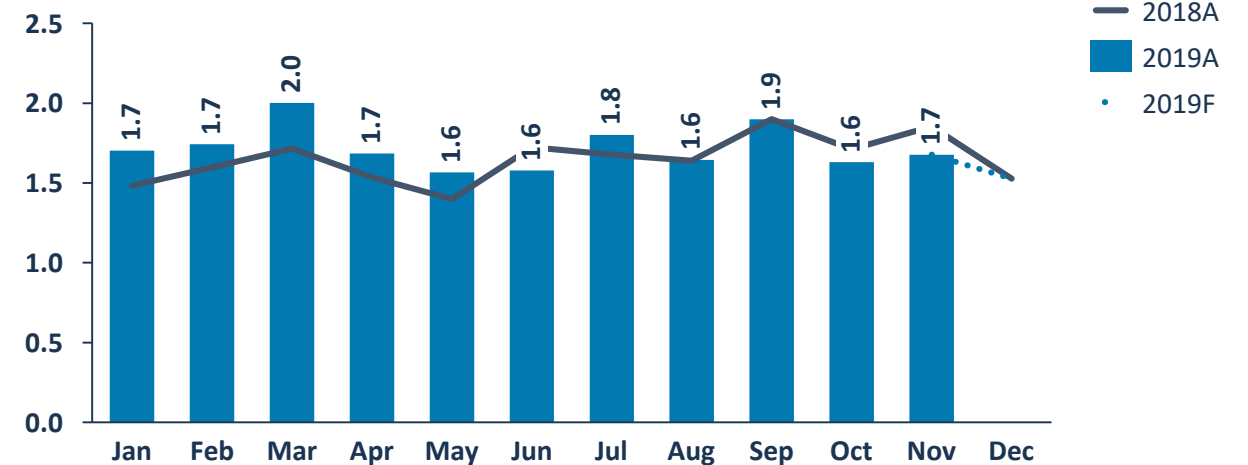
## Monthly EBITDA

€ millions



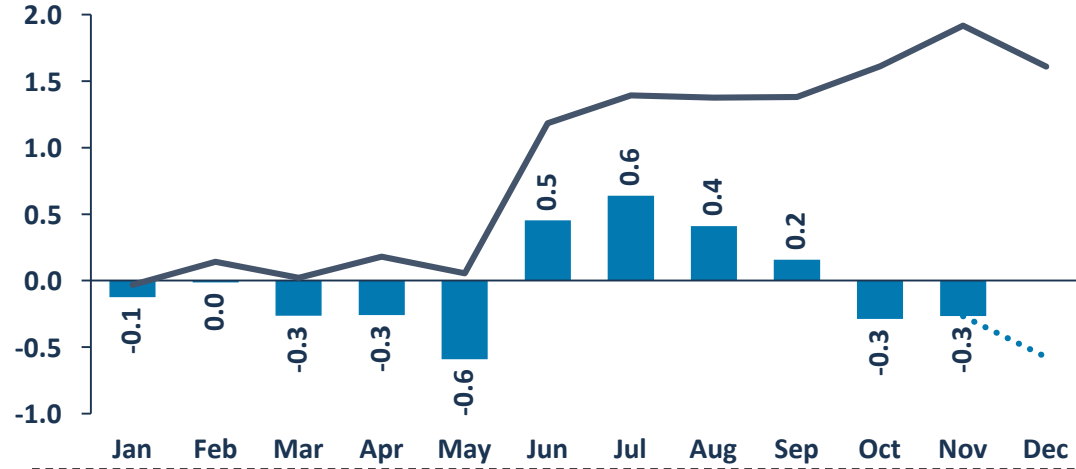
## Monthly Net Revenue

€ millions



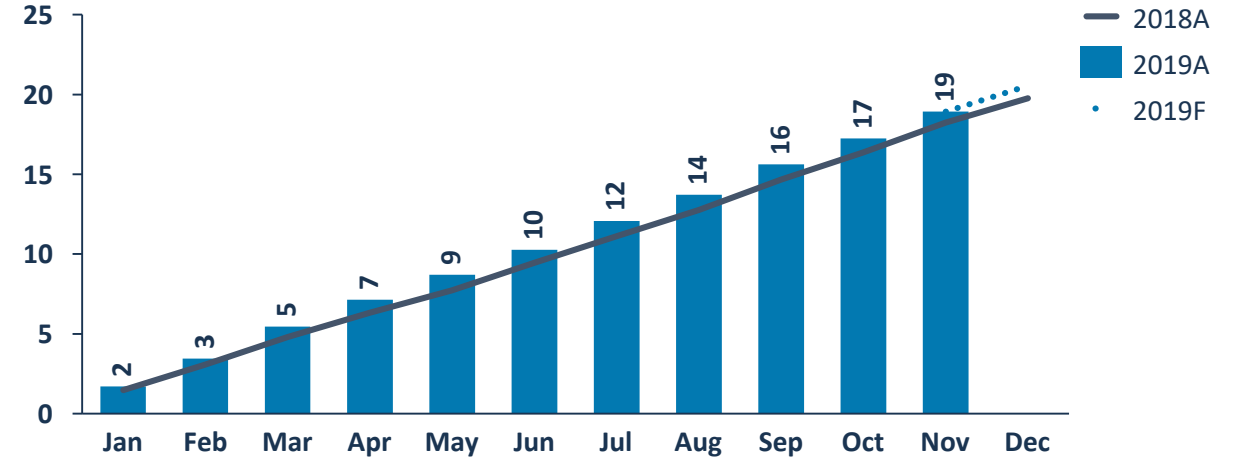
## YTD EBITDA

€ millions



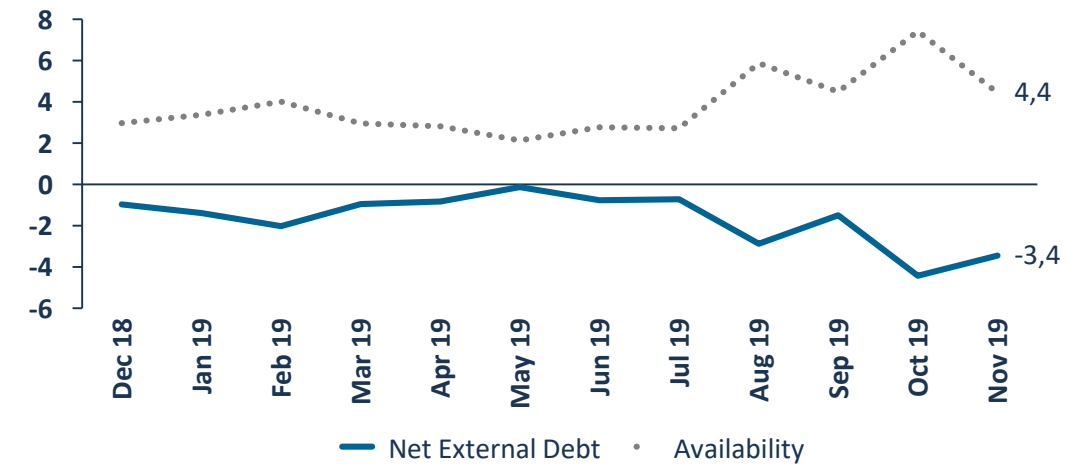
## YTD Revenue

€ millions



## Liquidity

€ millions





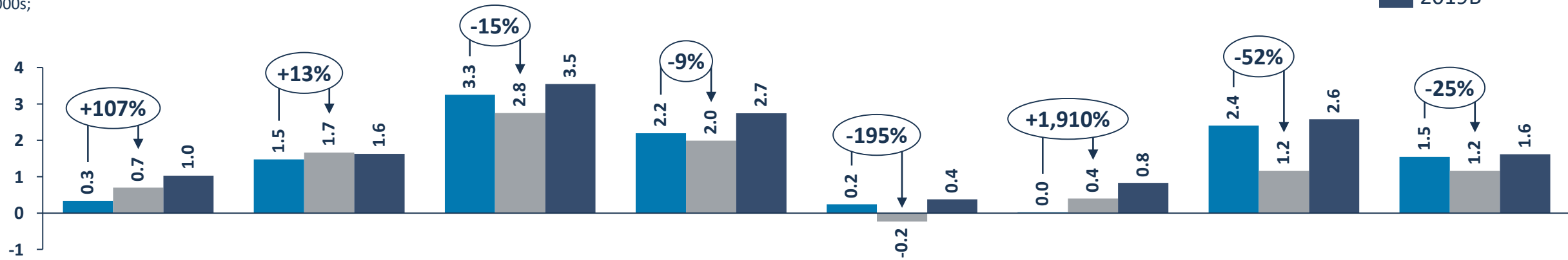
### 3 | Europe Portfolio Update

# Consolidated Europe portfolio EBITDA performance (without IFRS16)

## EBITDA MTD

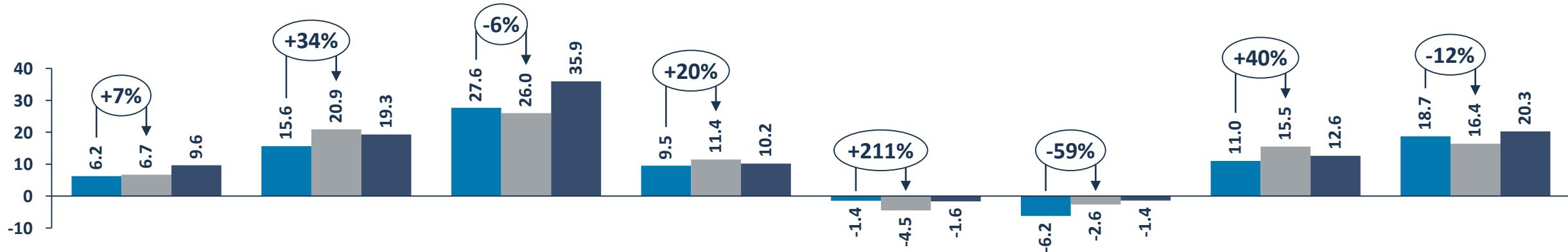
€ 000s;

2018A  
2019A  
2019B



## EBITDA YTD

€ millions; Jotul- Krmillions



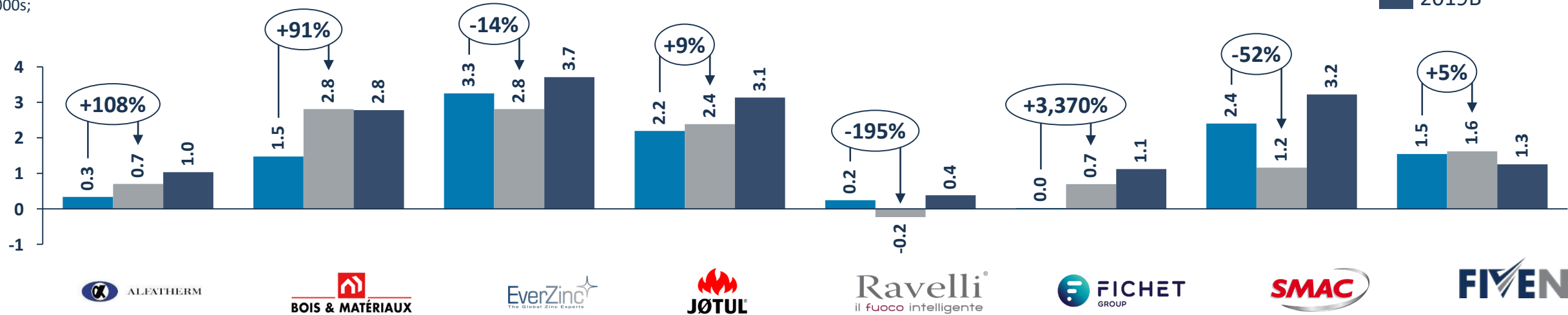
OPENGATE CAPITAL

# Consolidated Europe portfolio EBITDA performance (without IFRS16)

## EBITDA MTD

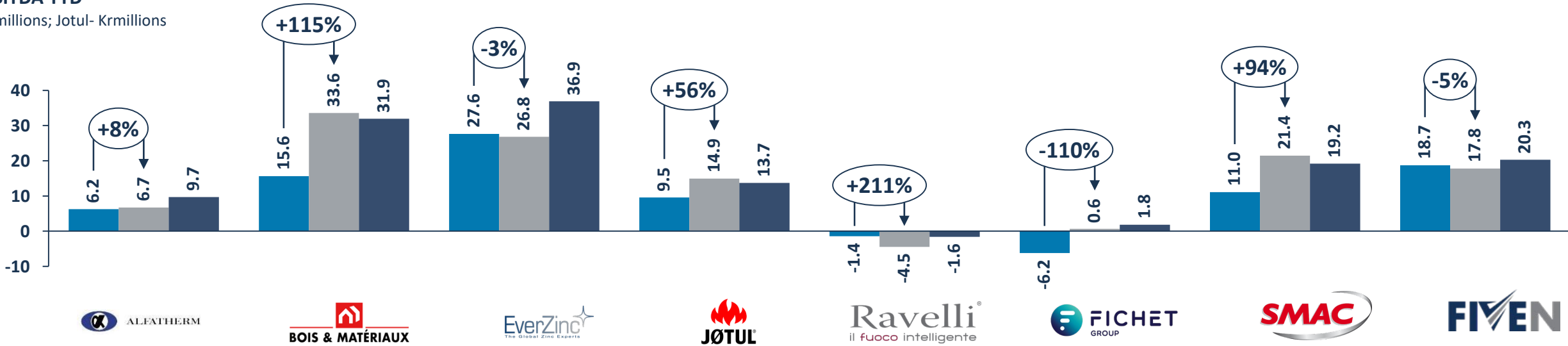
€ 000s;

2018A  
2019A  
2019B



## EBITDA YTD

€ millions; Jotul- Krmillions








### 3.a | Alfatherm

## Executive Summary: November 2019

- November Sales reached €6.1M which is below both Budget (-16%) and PY (-5%), with Sleeves (-48% vs. Budget) and furniture (-15% vs. Budget)
- Like-for-like EBITDA in November is €0.7M, lower than Budget (-32% or €-0.3M) but €+0.4M better than PY; Accounting adjustment (IFRS 16) of €+5k inflated EBITDA
- Like-for-like YTD EBITDA at €6.7M is better than PY at €6.2M but lower than budget at €9.7M; accounting IFRS 16 impact of €+27k improved reported EBITDA
- Like for like FY 2019 EBITDA is forecasted at €7.0M vs PY at €6.4M and a budget at €10M; full year IFRS 16 impact is €+30k favorable
- Operational turnaround team hired with PMO and production planning from EIM and operational improvement provided by Kaizen Institute. Next 6 months costs: 350k€ vs 1,5M€ with AlixPartners
- Currently interviewing to build the financial turnaround team with Willkie Italie + financial advisor + independent financial expert
- Profit Velocity: next workshop to be scheduled in January once the turnaround team as started
- Factoring: pursuing on-going discussion with FactoFrance, General Finance and MB Facta
- Alfatherm US Key Account manager recruited: Gustavo Franco started 2<sup>nd</sup> Dec

M €	Nov MTD		Nov YTD		Full Year	
Period	Rev	EBITDA	Rev	EBITDA	Rev	EBITDA
19A	6,1	0,7	63,9	6,7	68,2	7,0
19B	7,3	1,0	74,1	9,7	79,4	10,0
19A % of 19B	84%	68%	86%	69%	86%	70%
18A	6,4	0,3	67,5	6,2	72,1	6,4
19A % of 18A	95%	208%	95%	108%	95%	110%

## Status Update: Project Details

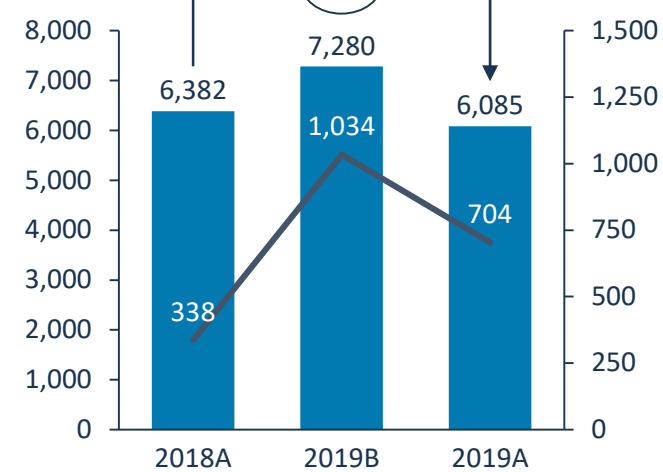
Project		Current Status & Next Steps	Annualized EBITDA Impact (€MM)	
			Projected	Actual
A. Operational Turnaround		• Team hired and starting 16 <sup>th</sup> Dec: PMO + Production planning + SMED workshop	tbd	
B. Financial Turnaround		• Currently defining budget and timing for senior debt haircut negotiation • Contact and interview with Lawyer, financial advisors and independent financial expert		
C. Factoring		• FactoFrance is still looking for a credit insurance on Lampre • Contact initiated with General Finance	N/A	N/A
D. Production efficiency		• Recruitment of 2 new plant managers (Gorla 1&2) and 1 production consultant for Gallarate	tbd	
E. OGx initiatives		• Following 1 <sup>st</sup> pricing workshop with Profit Velocity, Price increases for specific customers and product segments put forward and applicable 01/01/20 • Next pricing workshop to be scheduled in January once the turnaround team as started		



## Monthly Financial Metrics

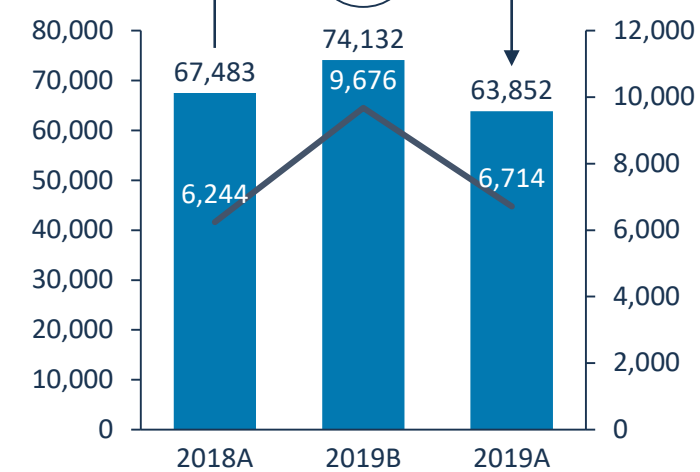
## Nov MTD

€000s



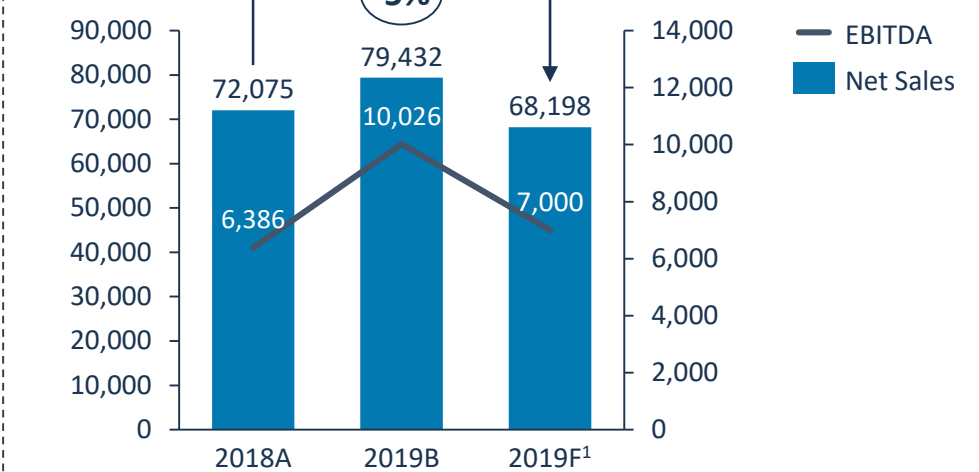
## Nov YTD

€000s



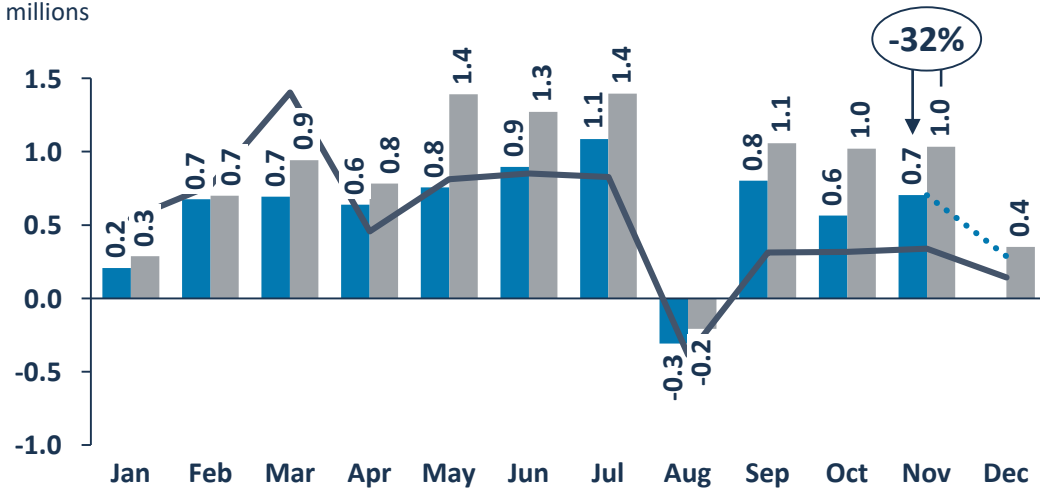
## Full Year

€000s



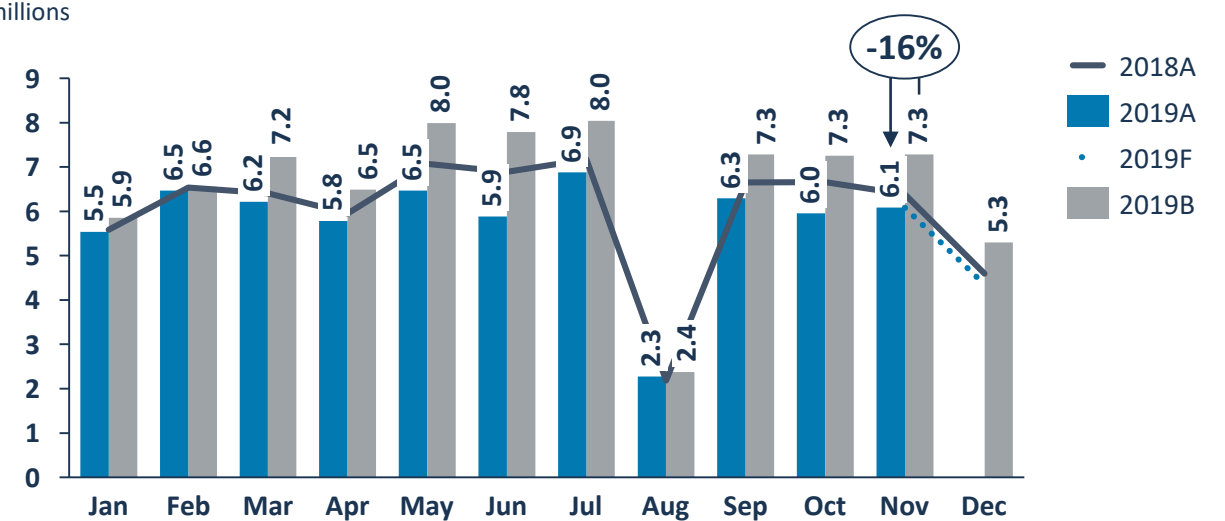
## Monthly EBITDA

€ millions



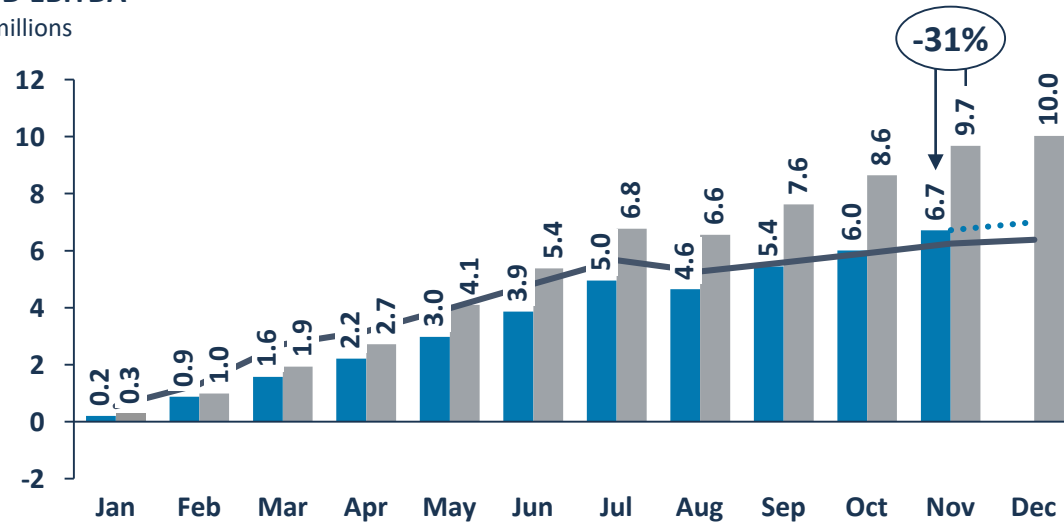
## Monthly Net Revenue

€ millions



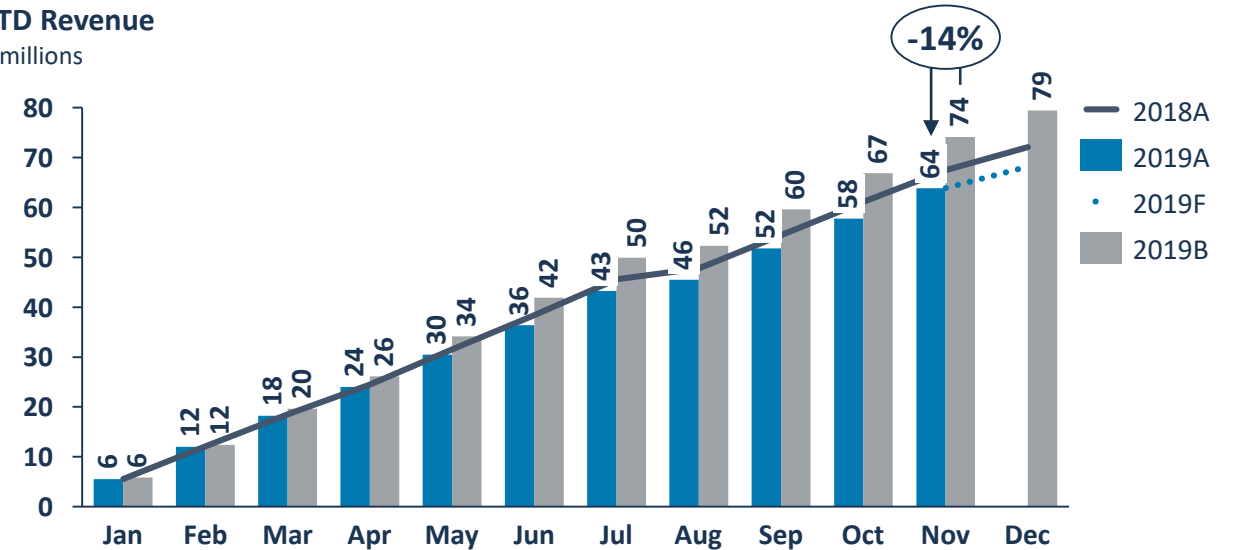
## YTD EBITDA

€ millions



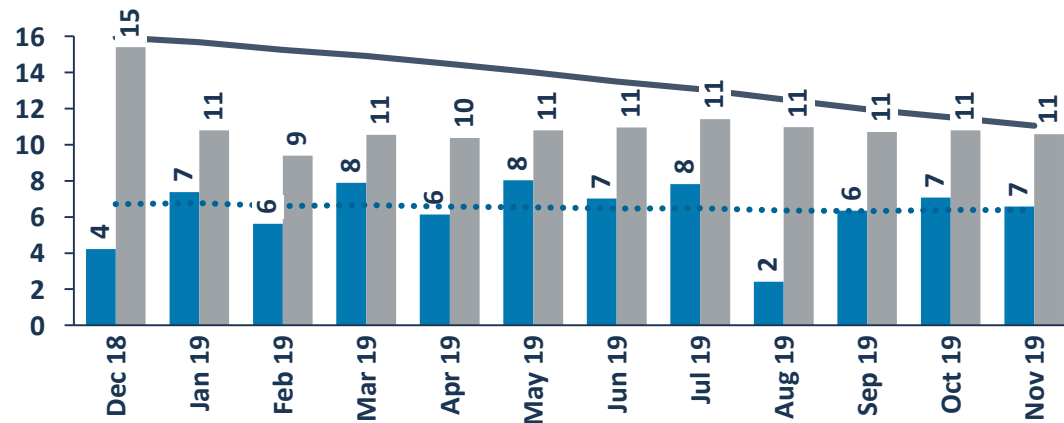
## YTD Revenue

€ millions



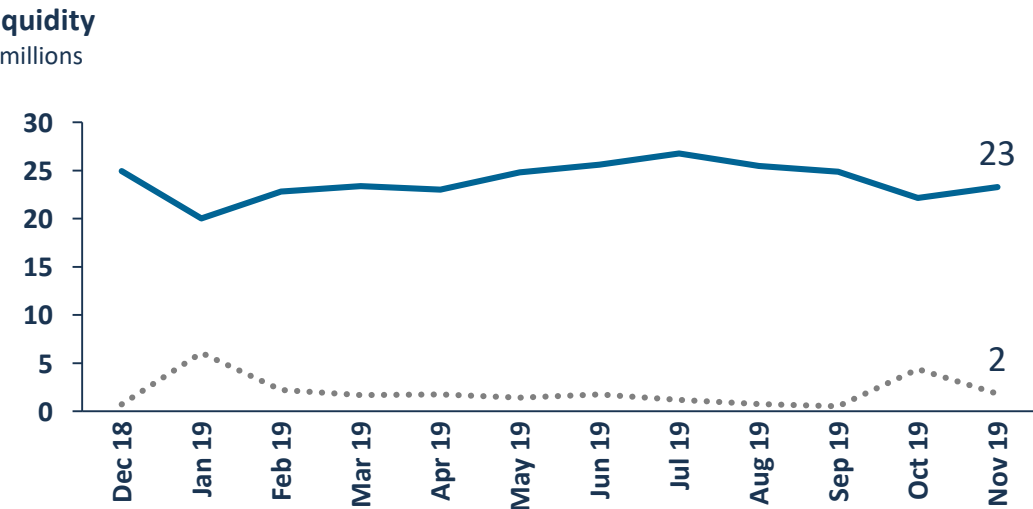
## Order Intake

€ millions



## Liquidity

€ millions



• TTM Avg Bookings • MTD Bookings — TTM Avg Backlog ■ MTD Backlog



**OPENGATE CAPITAL** 1. YTD actuals + remaining year forecast

3.b | B&M






# November EBITDA slightly above budget and better than PY due to an improved margin rate

## Executive Summary: November 2019

- Nov sales with €52.9M was -8.6% below PY and +0.3% above budget with 2 days less of sales in the month; market conditions remained stable in November; YTD Sales with € 589.0M is +1.9% above PY and +2.2% above budget, benefitting from better performance in the first semester of 2019
- The decline of residential construction in France decelerated further with builders 12 months rolling order book turning positive again (12 months rolling: order book of builders +4.6%, new housing permits -4.9%, new housing starts -4.1%)
- Nov like-for-like EBITDA with +€1.7M was +€0.2M above PY due to a better margin rate (29.2% vs 28.1%) coupled with lower operating cost (mainly personnel cost) due to efficiency gains in operations; IFRS 16 impact pushed reported EBITDA by +€1.1M to +€2.8M
- YTD like-for-like EBITDA with +€20.9M was +€5.5M above PY and +€1.6M above budget; IFRS 16 impact pushed reported YTD EBITDA by +€12.7M to €33.6M
- FY EBITDA outlook remained at €19.1M versus PY at €15.7M and budget at €18.1 due to higher sales; IFRS 16 impact will push reported YTD EBITDA by +€13.7M to €32.8M
- Sales in Dec after 9 days out of 17 is at € 22.8M which is -1.56 below PY and +1.8% above budget; Commercial margin level at 18.9% versus 18.1% in PY and 19.4% in budget
- Split: workers council provided a positive response on the carve out project; project progressing as per plan
- Exit: confirmatory non binding offer expected from St Gobain in early

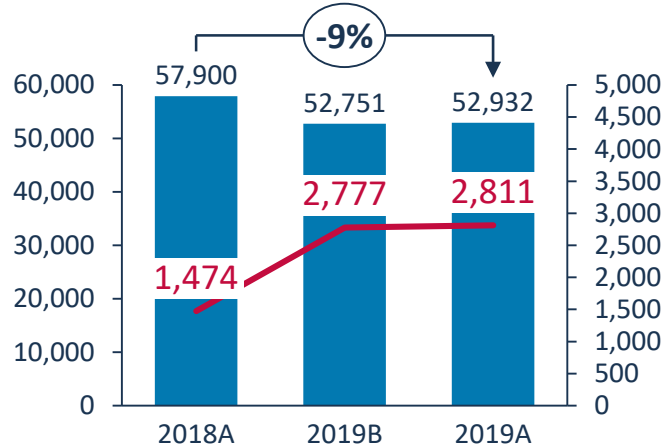
M €	MTD		YTD		Full Year	
Period	Rev	EBITDA	Rev	EBITDA	Rev	EBITDA
19A	52.9	2.8	589.0	33.6	631.7	32.8
19B	52.8	2.8	576.6	31.9	618.9	31.9
19A % of 19B	100%	101%	102%	105%	102%	103%
18A	57.9	1.5	578.1	15.6	619.7	15.7
19A % of 18A	93%	191%	102%	115%	102%	210%

## Status Update: Project Details

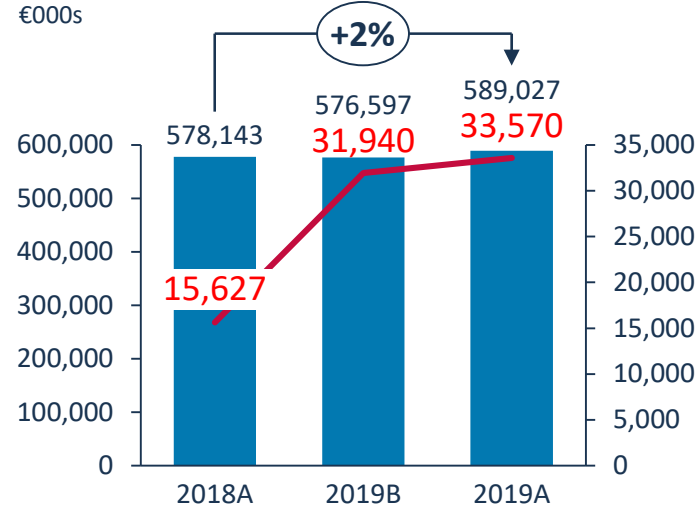
Project		Current Status & Next Steps	Annualized EBITDA Impact (\$MM)	
			Projected	Actual
A. Exit process		<ul style="list-style-type: none"> <li>Meeting with St Gobain held on November 13 to exchange some further information; next steps: StG to evaluate antitrust concerns; updated non binding offer expected beginning of January</li> </ul>	TBD	TBD
B. Split of PanoFrance network to increase exit options		<ul style="list-style-type: none"> <li>Announcement done on October 31 without major issues; workers council requested an external specialist to analyze the carve out implications</li> <li>workers council provided a positive response on the carve out project; project progressing as per plan</li> </ul>	TBD	TBD
C. OGx initiatives		<ul style="list-style-type: none"> <li>Pricing: Implementation of proprietary Big Data solution to optimize pricing of 20/80 products at branch level; Optimal pricing proposal based on the combination of past transactions &amp; price sensitivity levels; Solution implemented in 55 branches by year-end 2019; early results of +0.15 pp in gross margin</li> <li>Digitalization: Search engine &amp; web traffic optimized (+40% natural referencing); Online catalog with real-time product availability; cross-selling &amp; alternative product functionalities</li> </ul>	TBD	TBD

# Monthly Financial Metrics

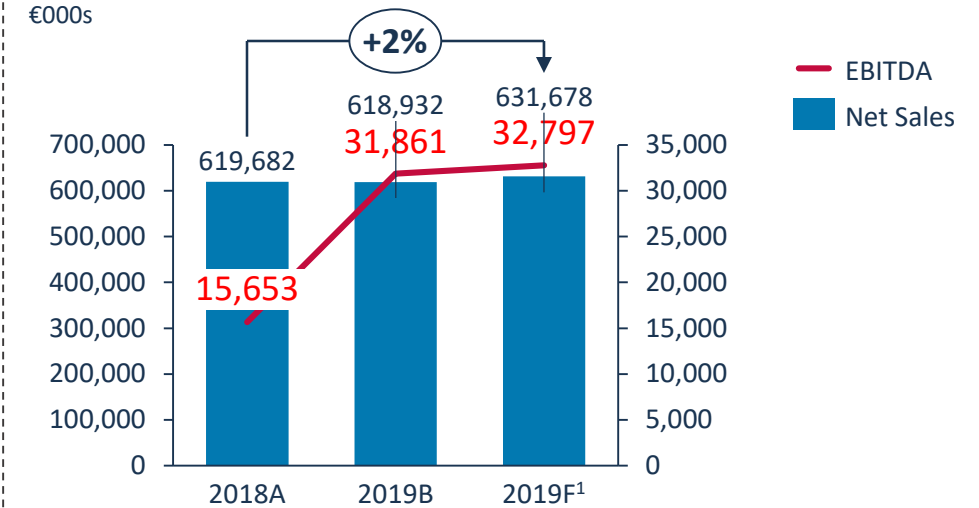
**MTD**  
€000s



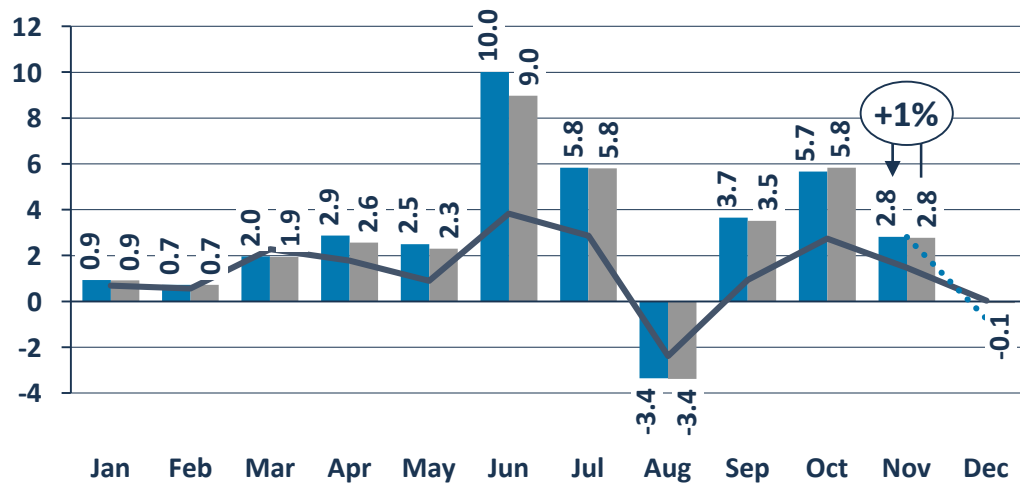
**Oct YTD**  
€000s



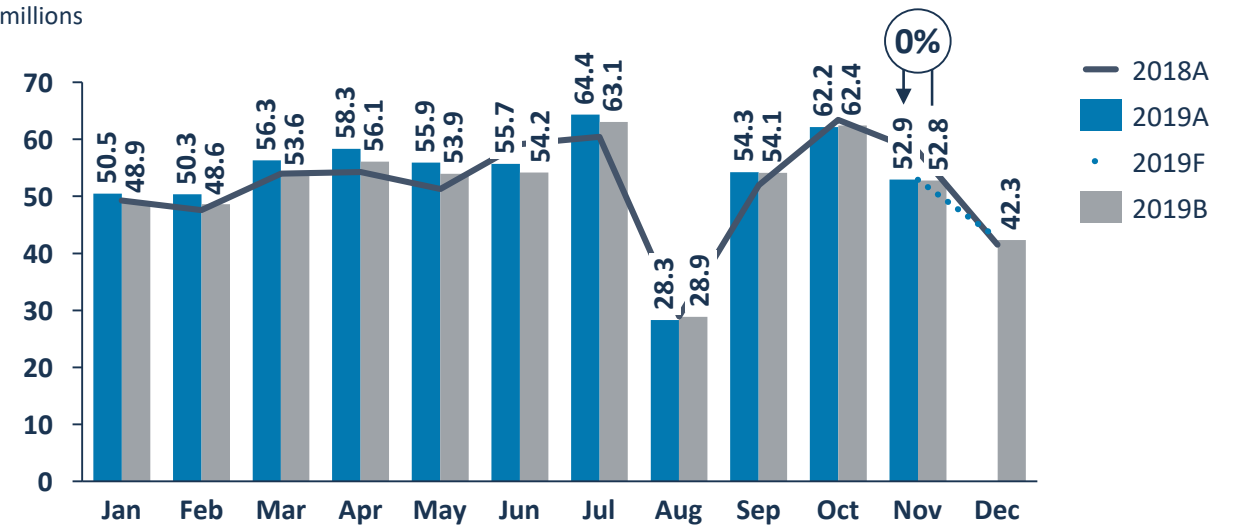
**Full Year**  
€000s



**Monthly EBITDA**  
€ millions

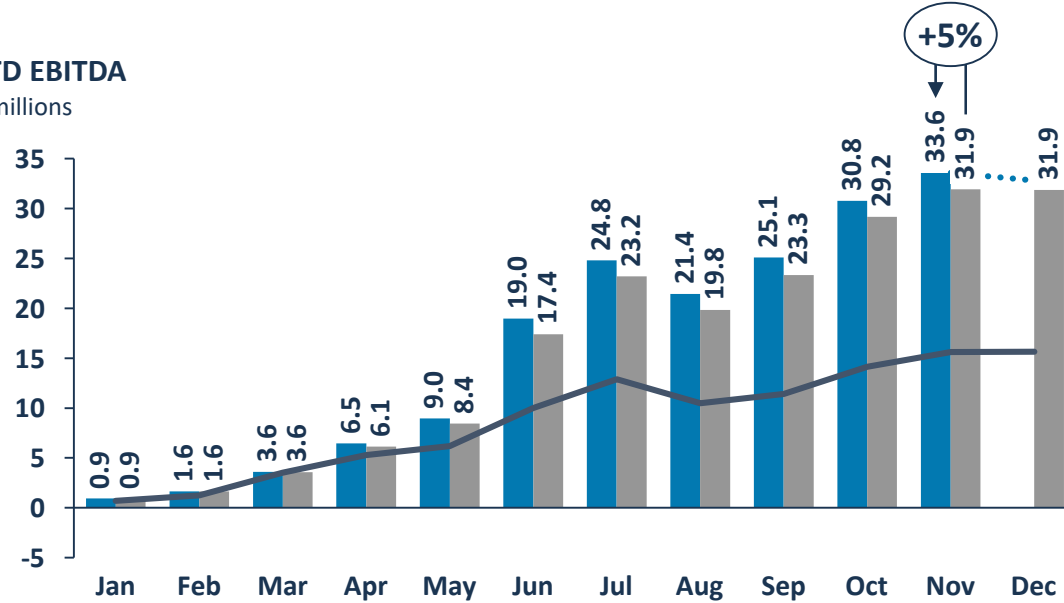


**Monthly Net Revenue**  
€ millions



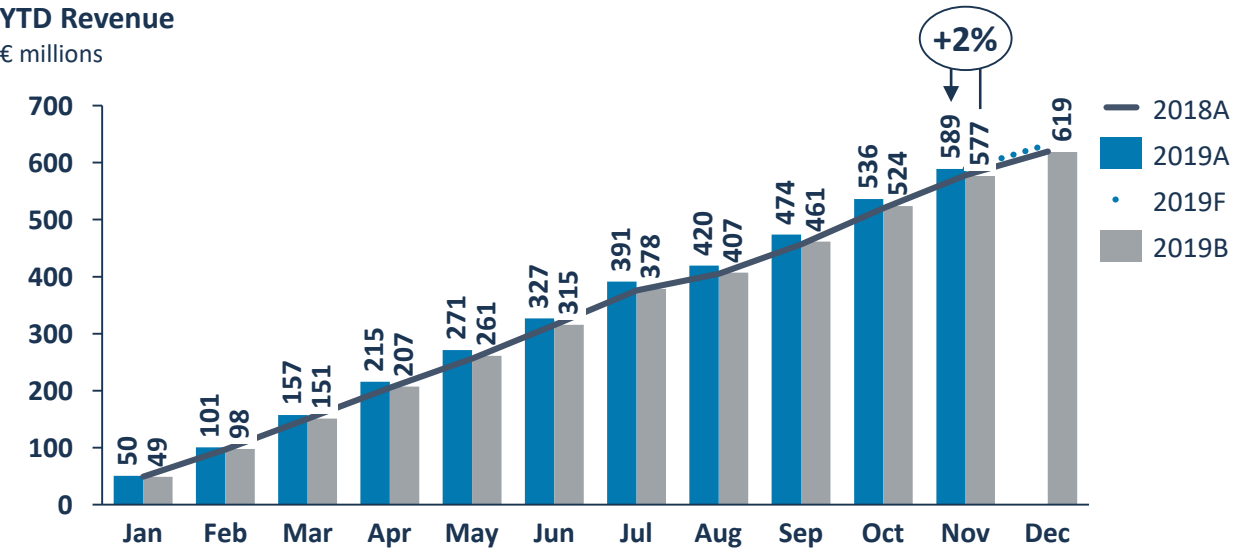
## YTD EBITDA

€ millions



## YTD Revenue

€ millions



## Liquidity

€ millions



### 3.c | Everzinc

# November performance negatively impacted by lower volumes and unfavorable product mix. Refinancing approved: signing expected for this week for a closing in January 2020

## Executive Summary: November 2019

- November sales reached €37.9M vs. budget of €46.4M and LY of €40.4M, driven by the lower volumes, the lower Zinc LME and the unfavorable product mix
- EBITDA reached €2.8M and included €54k related to IFRS 16. This is below both LY (€3.3M) and BP (€€3.7M), mostly due to the lower volumes and unfavorable product mix. In addition, LY included c. €1M of one-off items (insurance claims and M&A expenses reclassification)
- YTD EBITDA at €26.8M was 3% below LY at €27.6M and below budget at €36.9M (IFRS 16 impact of +€841k adjusted within the reported EBITDA as of November 2019)
- FY 2019 EBITDA outlook was revised to €29.3M, including €945k for IFRS16
- Cash position reached €42.1M (vs. €49.3M last month) and is expected to reach €40M by year-end, driven mostly by the wind-down of positions with La Banque Postale (end of reverse factoring, with payments of €7M in November, €7M in December and the residual €7M expected for January 2020)
- Refinancing approved by all 4 banks' credit committees, with signing expected for this week and closing by mid-January 2020 (€110M with 2. 5% margin for facility A (€30M) and RCF (€10M) and 3% margin for facility B (€70M). Cash upstream of €20M expected for Q2 and Q4 2020)

M €	Nov MTD		Nov YTD		Full Year	
Period	Rev	EBITDA	Rev	EBITDA	Rev	EBITDA
19A	37.9	2.8	472.7	26.8	511.4	29.3
19B	46.4	3.7	530.9	36.9	571.2	39.4
19A % of 19B	82%	76%	89%	73%	89%	74%
18A	40.4	3.3	530.3	27.6	565.2	29.3
19A % of 18A	94%	85%	89%	97%	90%	100%

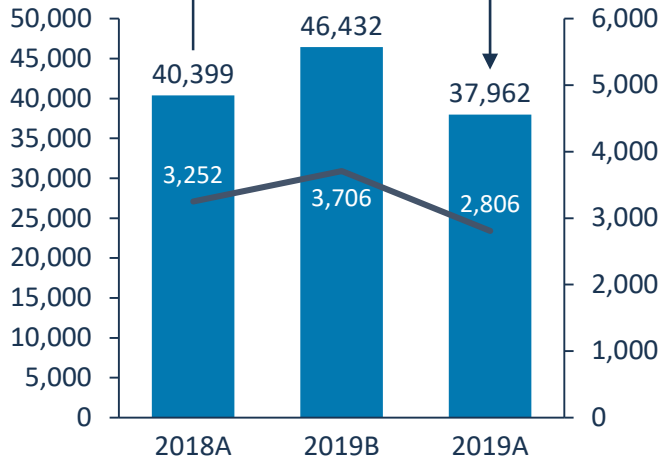
## Status Update: Project Details

Project		Current Status & Next Steps	Annualized EBITDA Impact (\$MM)	
			Projected	Actual
Refinancing	●	• All necessary approvals obtained. Signing to take place this week, with closing expected for mid-January 2020	...	...
Zano Carve-Out	●	• Legal documentation being finalized for the final steps of transferring the assets from OldCos to NewCos in BE and NL	...	...
OGx Initiatives	●	• Brand Recognition: new social media and website launched. New posts published weekly	...	...
	●	• Thought Leadership: R-Zinc conference successfully held in Liege with over 80 participating companies		
	●	• Operational Excellence: ZANO industrialization tests progressing. New trials expected in Q1 and Q2 2020		
	●	• Data Analytics: data request to determine current systems and data architecture under preparation for discussion in early January. Scope and implementation costs to be fine-tuned		
Add-Ons	●	• Gunther: visit held last week in Germany / Collecting financials for analysis / Next discussion in early January	...	...
	●	• Grillo: approached but not available to discuss in December / Visit to be scheduled for January		

# Monthly Financial Metrics

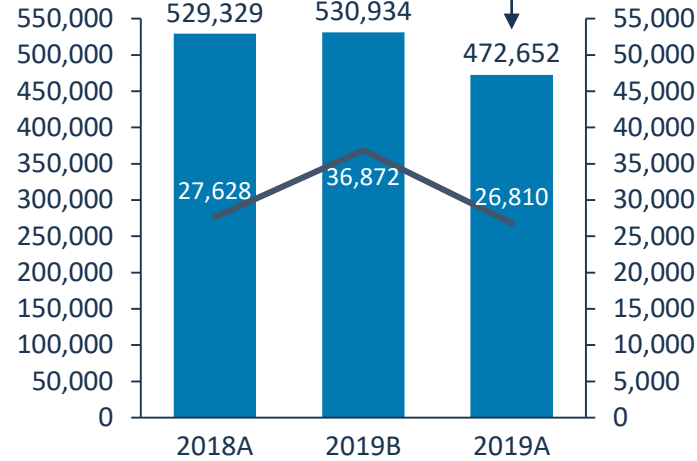
## Nov MTD

€000s



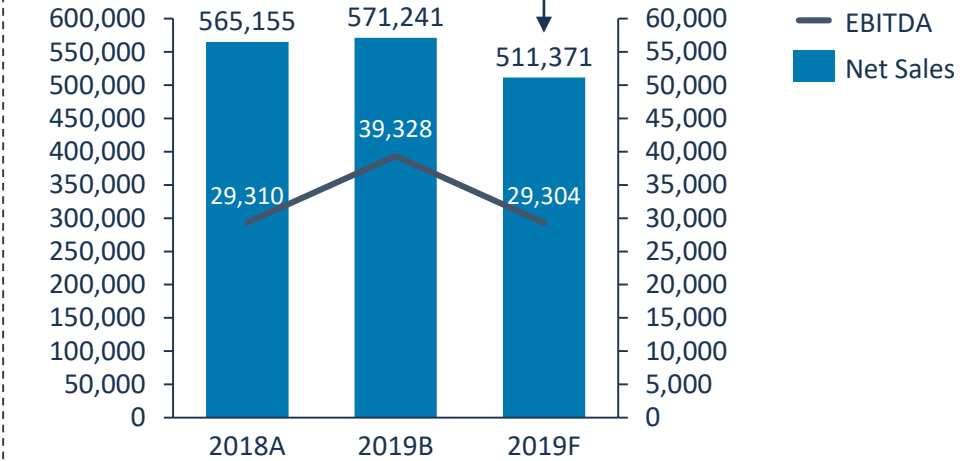
## Nov YTD

€000s



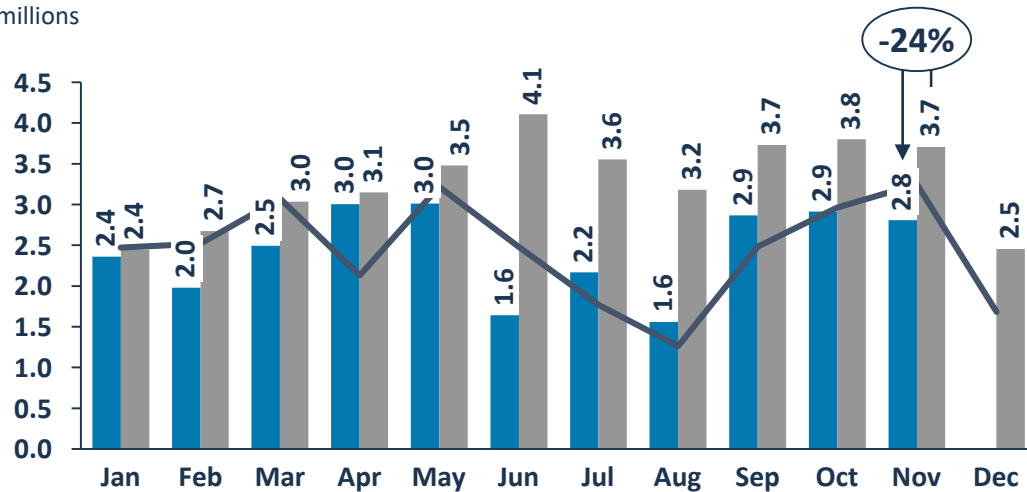
## Full Year

€000s



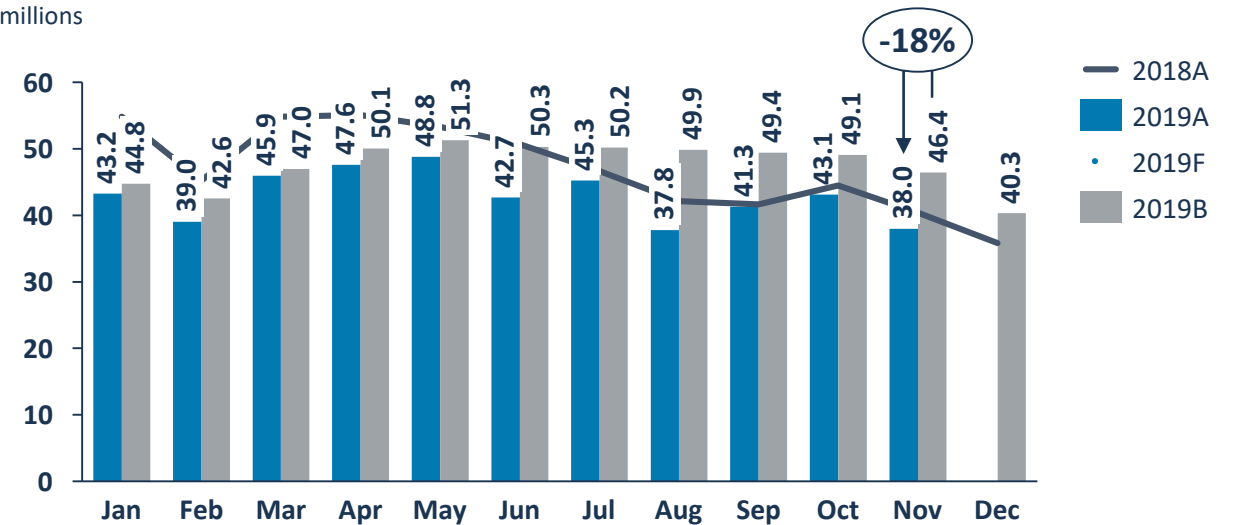
## Monthly EBITDA

€ millions



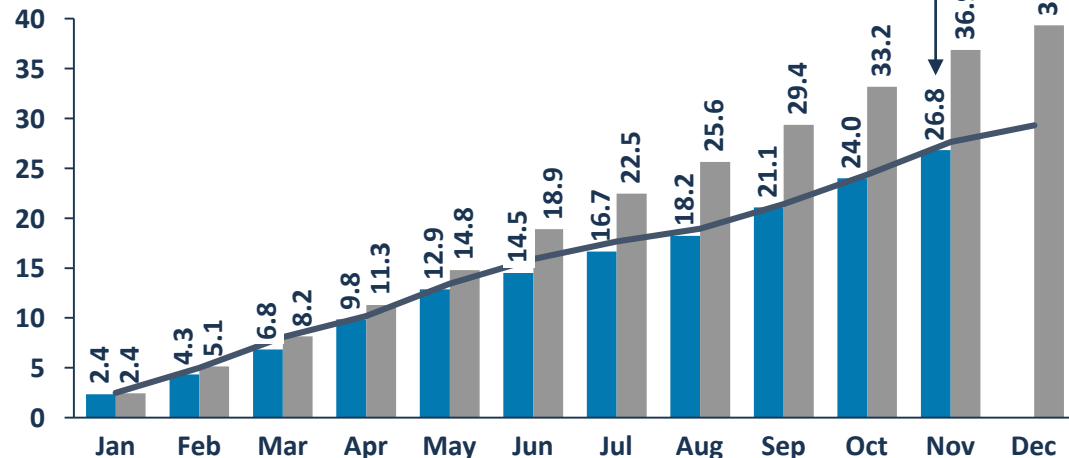
## Monthly Net Revenue

€ millions



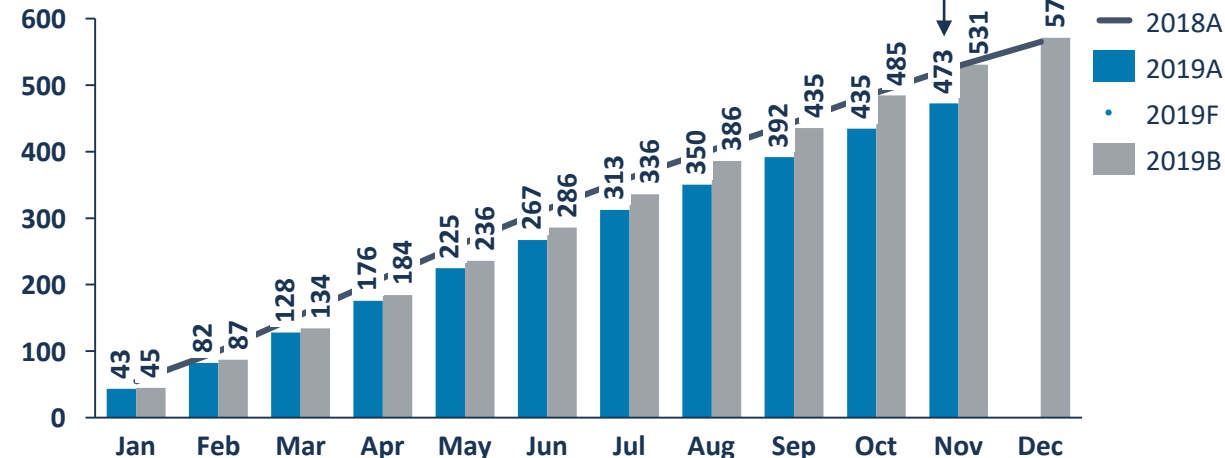
## YTD EBITDA

€ millions



## YTD Revenue

€ millions

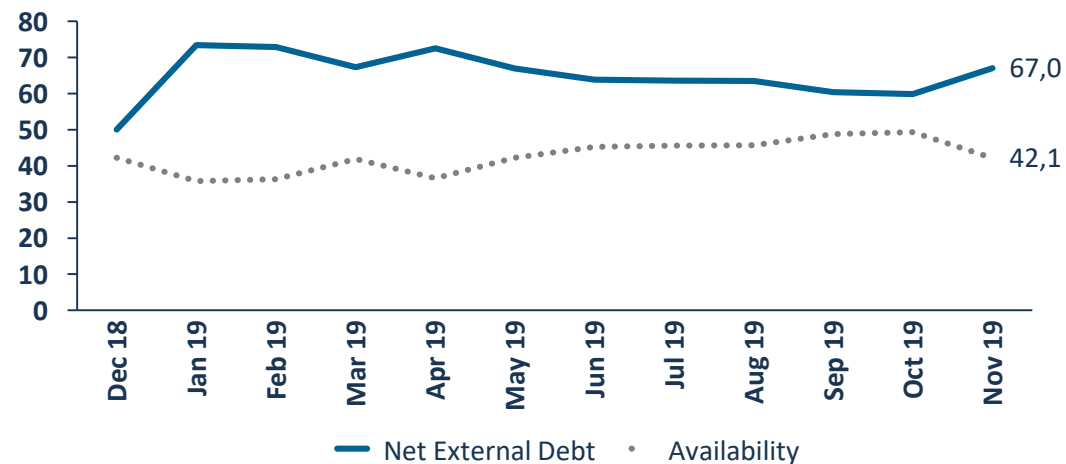


## Order Intake

€ millions

## Liquidity

€ millions



3.d | Jotul





# EBITDA below expectation due to lower volumes coupled with a lower margin rate

## Executive Summary: November 2019

- Nov net sales with NOK 111.1M were +3% above PY and -13% below budget; similar as October, sales performance down in all countries except the US and incremental sales contribution from AICO France; Order Intake in November with NOK 69M underperformed PY at NOK 81.6M;
- Gross margin at 32.5% was above PY at 33.9% and budget at 34.5%; lower margin in the month due to mix effects and lower productivity as it was the last month of production in Norway and Denmark
- Like-for-like EBITDA in Nov with NOK 20.1M was below PY by -2M due to lower productivity and lower sales volume if excluding AICO France ; Accounting adjustment (IFRS 16) of +NOK 4.0M inflated EBITDA to a reported EBITDA of NOK 24.0M
- Like-for-like YTD EBITDA at NOK 115.7M better than PY at NOK 96.5M and budget at NOK 103.2M; accounting IFRS 16 impact of NOK +35.3M boosted reported EBITDA to 149.7M
- Like-for-like FY 2019 EBITDA outlook remained at NOK 107.6M vs PY at NOK 92.1M and a budget at NOK 107.1 and an LTM performance of NOK 111M; full year IFRS 16 impact of NOK +38M will increase reported EBITDA to NOK 146M in 2019;
- Current trading in early December shows an acceleration of activities; after 5 days sales activities are up by 13% versus prior year and order intake by +48%
- Production transfer to Poland on plan: Production in Norway and Denmark will stopped end of November; currently all remaining machinery is being transferred to Poland to start up production on January 7

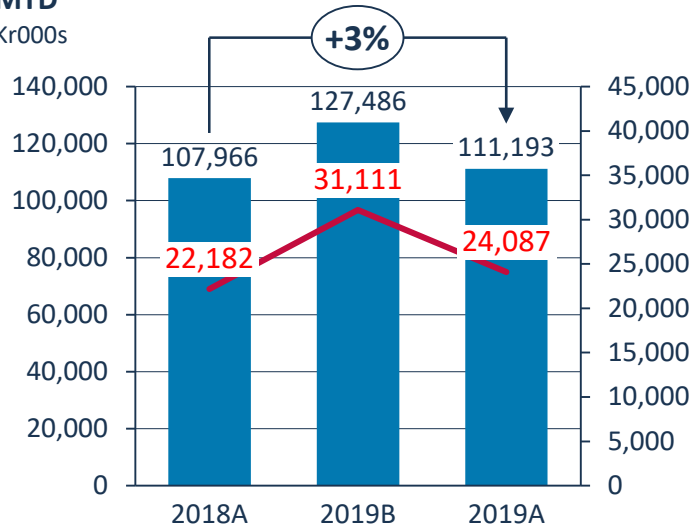
M NOK	MTD		YTD		Full Year	
Period	Rev	EBITD A	Rev	EBIT DA	Rev	EBITD A
19A	111	24.1	879	149.7	957.7	144.2
19B	127	31.1	875	138.7	956	144.2
19A % of 19B	87%	77%	101%	108%	100%	99%
18A	108	22.2	853	96.5	912	92.1
19A % of 18A	103%	109%	103%	155%	105%	157%

## Status Update: Project Details

Project		Current Status & Next Steps	Annualized EBITDA Impact (\$MM)	
			Projected	Actual
A. Relocation of production from Norway & Denmark to Poland		<ul style="list-style-type: none"> <li>Production in Norway and Denmark will stopped end of November; currently all remaining machinery is being transferred to Poland to start up production on January 7</li> </ul>	0 in 2019 NOK 50M in 2020	0
B. OGx		<ul style="list-style-type: none"> <li>3 AICO stoves have been redesigned for Jotul and will be launched in France in November 2019 for the winter season; production has started (see Ravelli slides)</li> <li>7 new stove models models to be presented in February 2020 at the Verona fair</li> </ul>	TBD	0

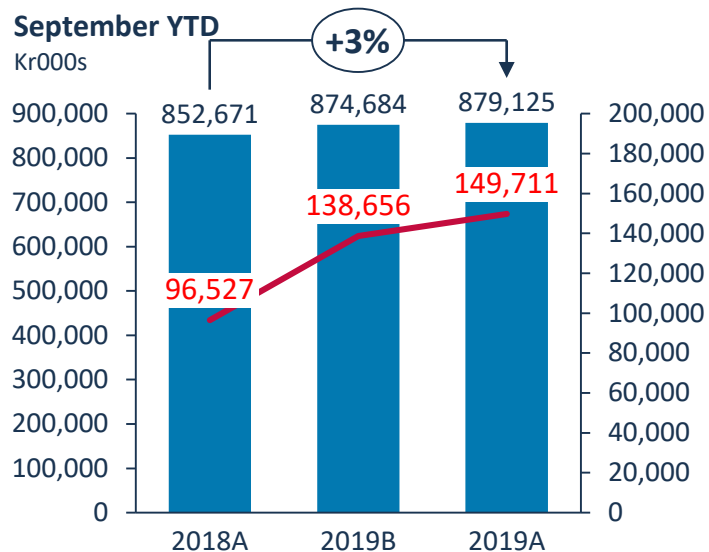
## MTD

Kr000s



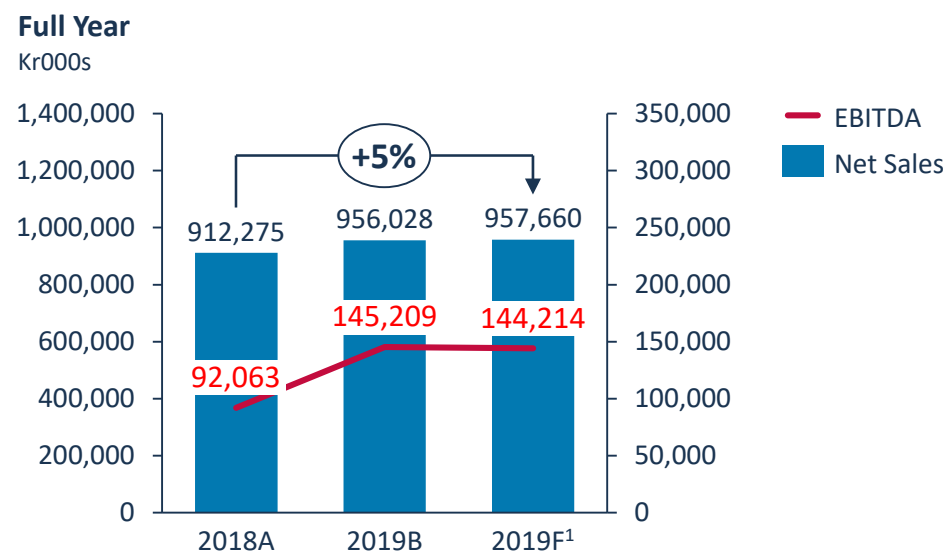
## September YTD

Kr000s



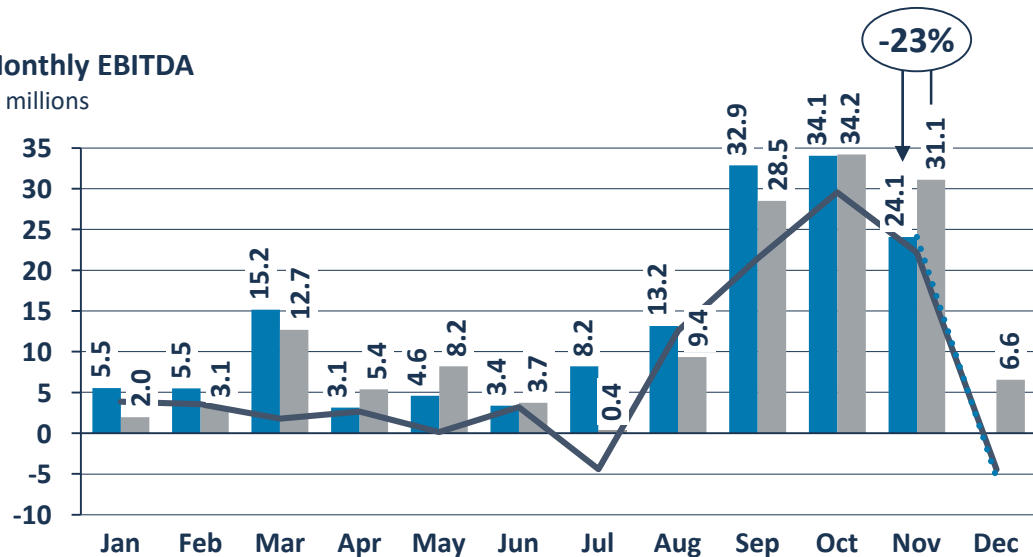
## Full Year

Kr000s



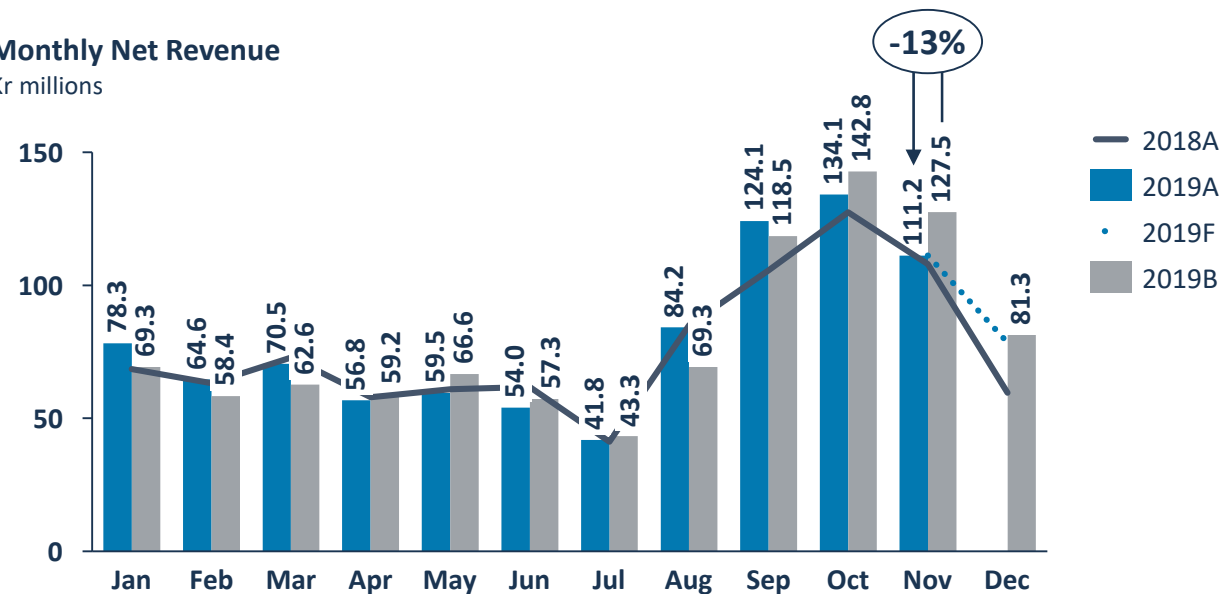
## Monthly EBITDA

Kr millions



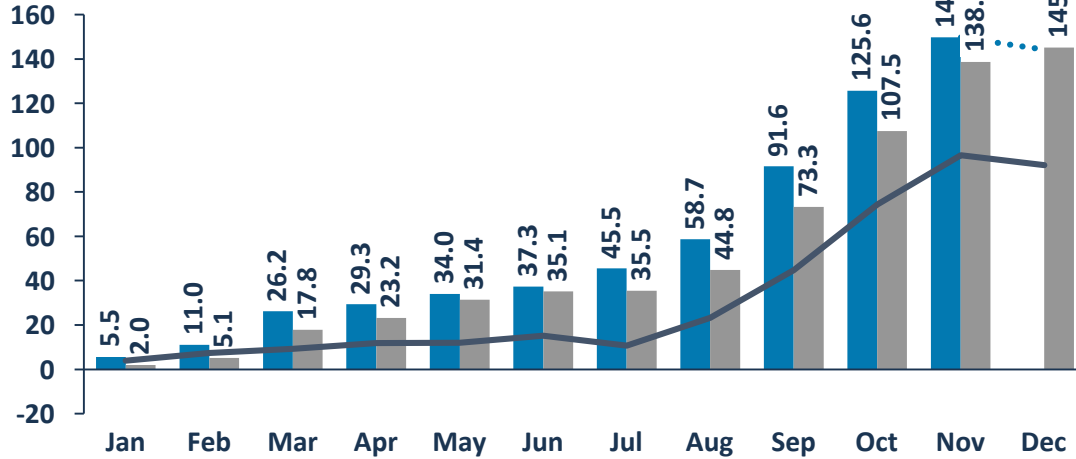
## Monthly Net Revenue

Kr millions



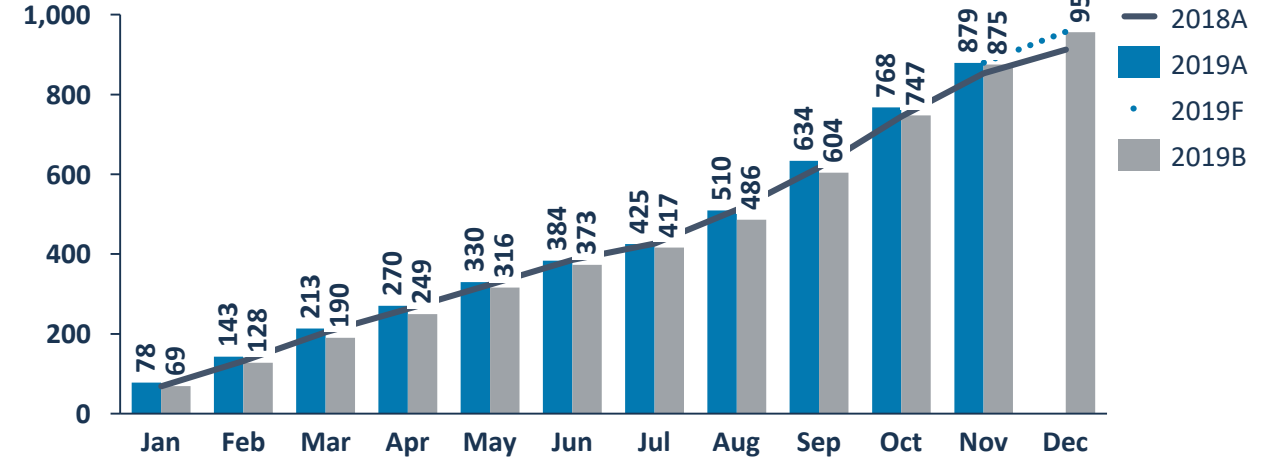
## YTD EBITDA

Kr millions



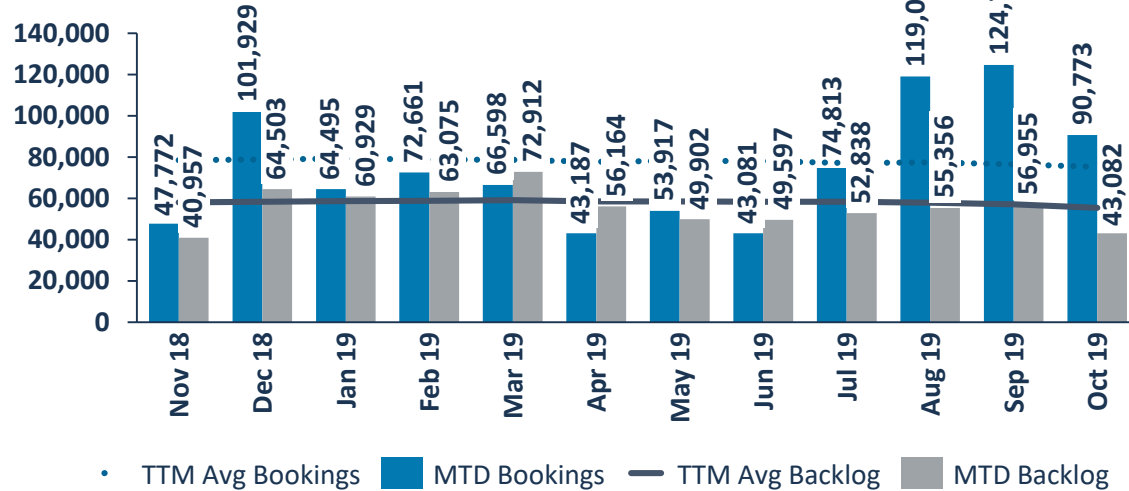
## YTD Revenue

Kr millions



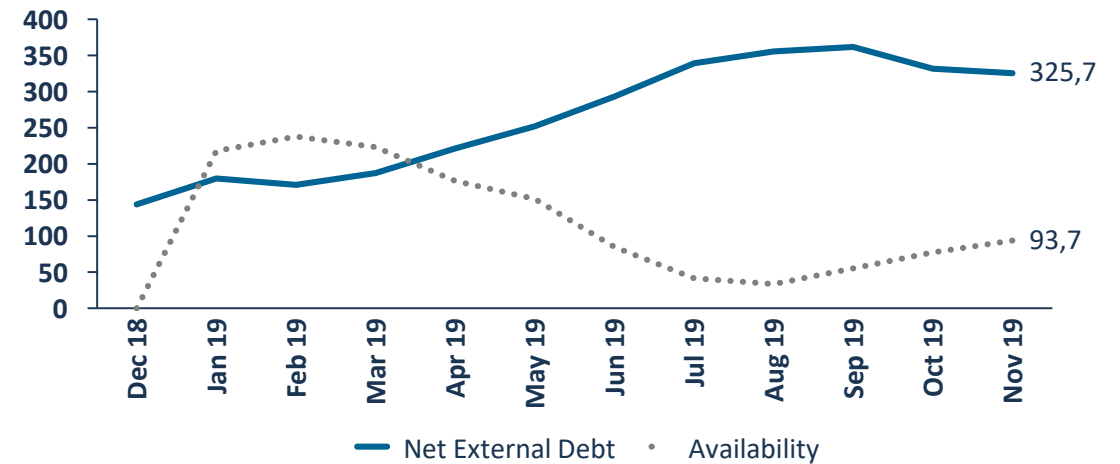
## Order Intake

Kr millions



## Liquidity

Kr millions



• TTM Avg Bookings ■ MTD Bookings — TTM Avg Backlog ■ MTD Backlog



OPENGATE CAPITAL 1. YTD actuals + remaining year forecast

3.e | Ravelli

# November top line underperformed and dragged the EBITDA negative, due to weak market conditions in Italy; headcount reduction of 26 FTE in December

## Executive Summary: November 2019

- Nov net sales at €3.5M were -24% below PY and -32% below budget; lower sales vs PY, mainly due to market conditions; and portfolio cleanup; Gross margin rate increased from 5.6% in 2018 to 14.4% in 2019
- YTD sales with €26.7M were -22% below PY and -26% below budget; ; Gross margin rate increased from 11.6% in 2018 to 15.6% in 2019
- Order Intake in November with € 3.5M -25% below PY and order backlog at €3.5M versus €2.1M in PY
- Nov EBITDA negative -0.2M due to missed volumes
- FY 2019 EBITDA outlook is at € -5.0M vs PY at €-6.5M;
- Headcount at 139 versus 157 in PY and 146 in budget; in December 26 employees will be let go to reduce headcount to 113 by beginning of January
- OGx: First batch of Jotul branded stoves for 2 models (see picture) have been successfully produced in beginning December



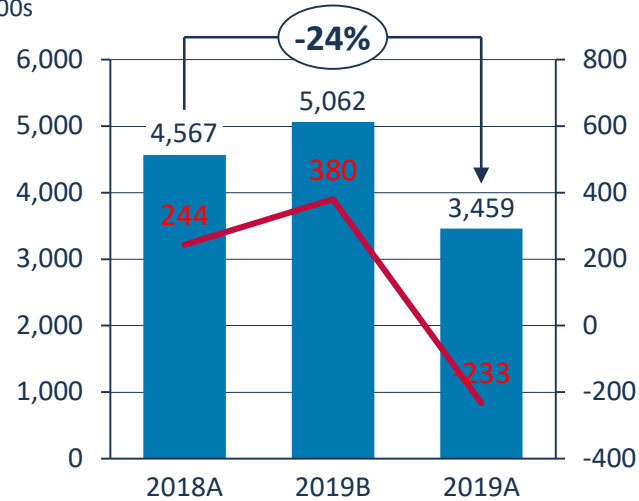
M €	MTD		YTD		Full Year	
Period	Rev	EBITDA	Rev	EBITDA	Rev	EBITDA
19A	3.5	-0.2	26.7	-4.5	29.0	-5.0
19B	5.1	0.4	34.3	-1.6	38.2	-1.3
19A % of 19B	68%	Na	78%	na	76%	Na
18A	4.6	0.2	34.3	-1.6	38.1	-6.5
19A % of 18A	76%	Na	74%	Na	76%	na

## Status Update: Project Details

Project		Current Status & Next Steps	Annualized EBITDA Impact (\$MM)	
			Projected	Actual
A. Prepare revised turnaround plan with new CEO	At Risk	<ul style="list-style-type: none"> <li>-25% Reduction of product portfolio (kill all products with contribution margin below 30%) by year-end 2019 to reduce business complexity</li> <li>Gradual headcount reduction to 113 FTE by end 2019 versus 157 in prior year</li> <li>Rationalization of distribution setup from 3 warehouses to one</li> <li>Resourcing of components (including casting from Jotul)</li> <li>Total annual cost reduction of app. €2.3M (full benefits for 2020); one of cost of approximately €600k (headcount reduction mainly on temps)</li> </ul>	€2.3M	TBD
B. OGx	On Track	<ul style="list-style-type: none"> <li>First batch of Jotul branded stoves for 2 models(see picture) have been successfully produced in beginning December</li> </ul>	TBD	TBD

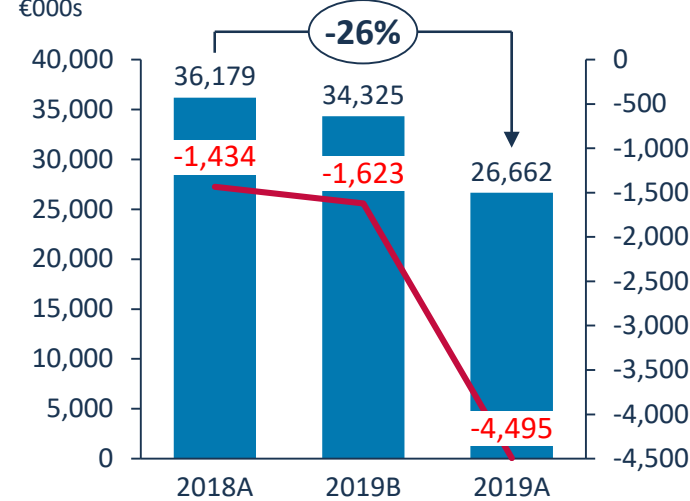
## MTD

€000s



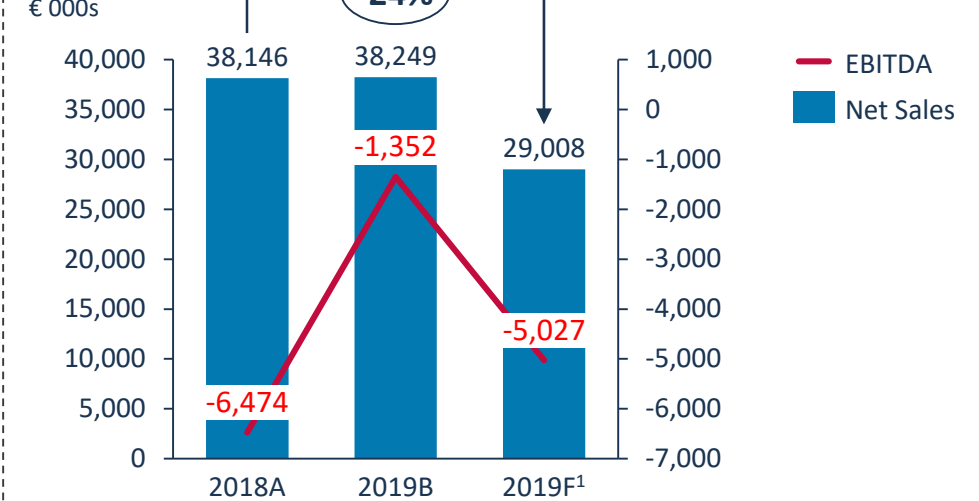
## Oct YTD

€000s



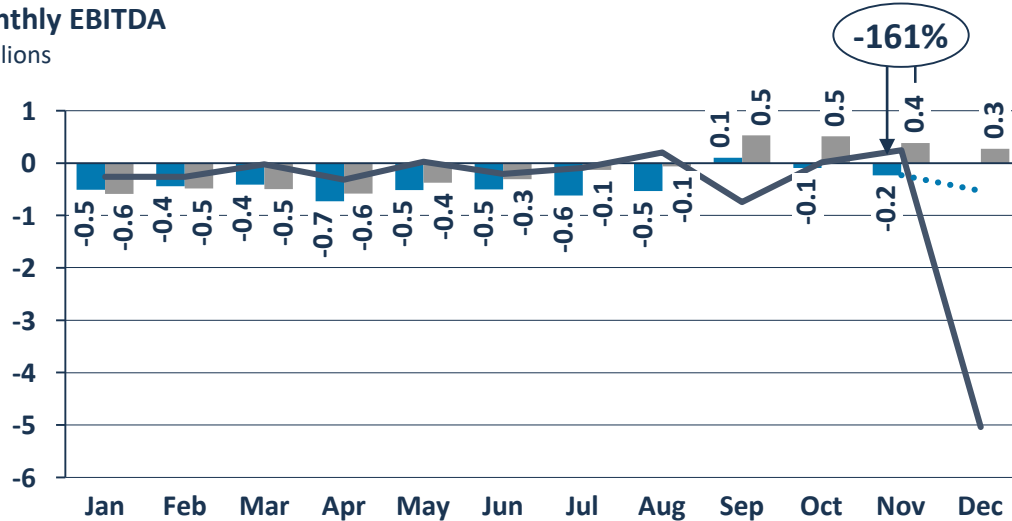
## Full Year

€ 000s



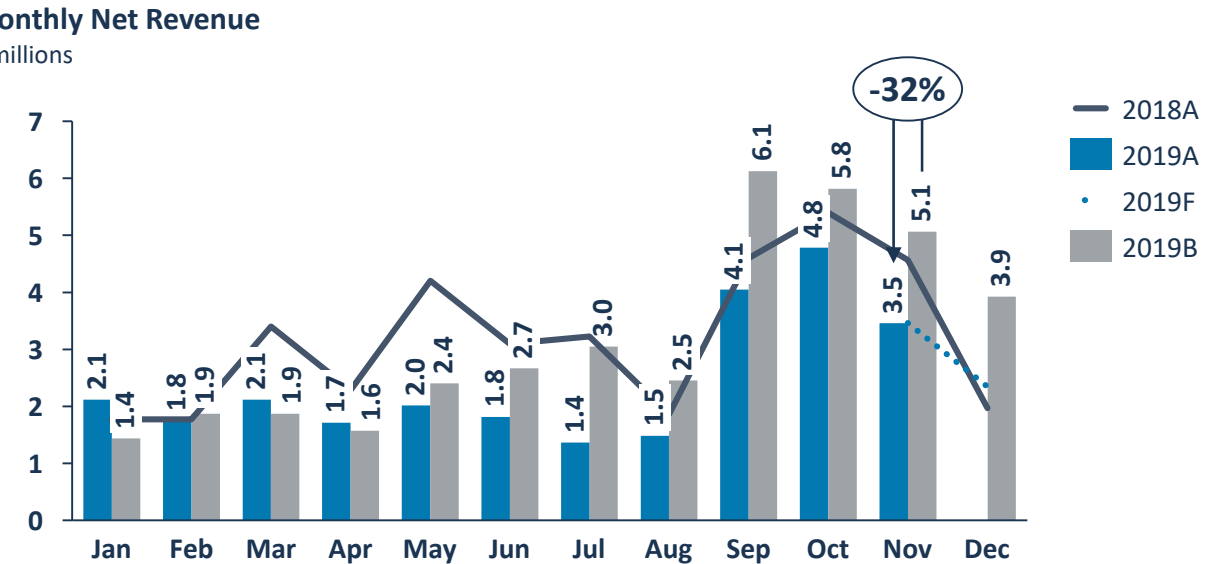
## Monthly EBITDA

€ millions



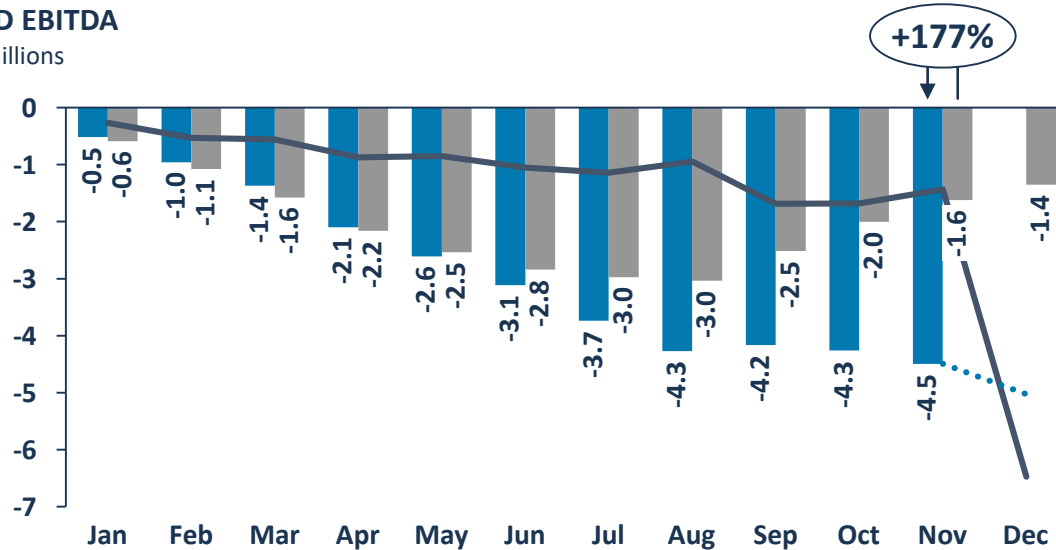
## Monthly Net Revenue

€ millions



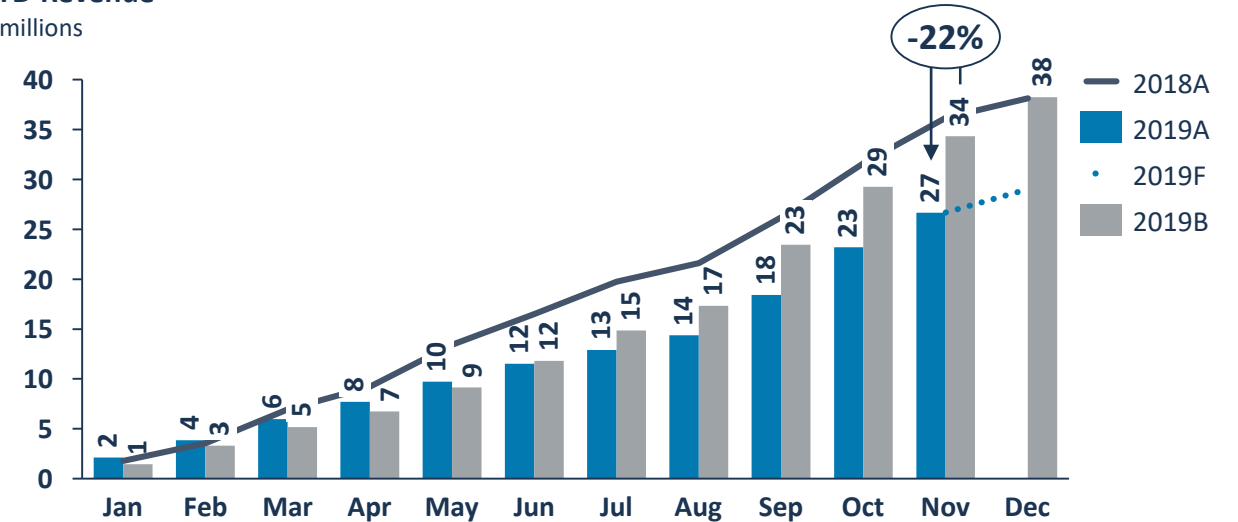
## YTD EBITDA

€ millions



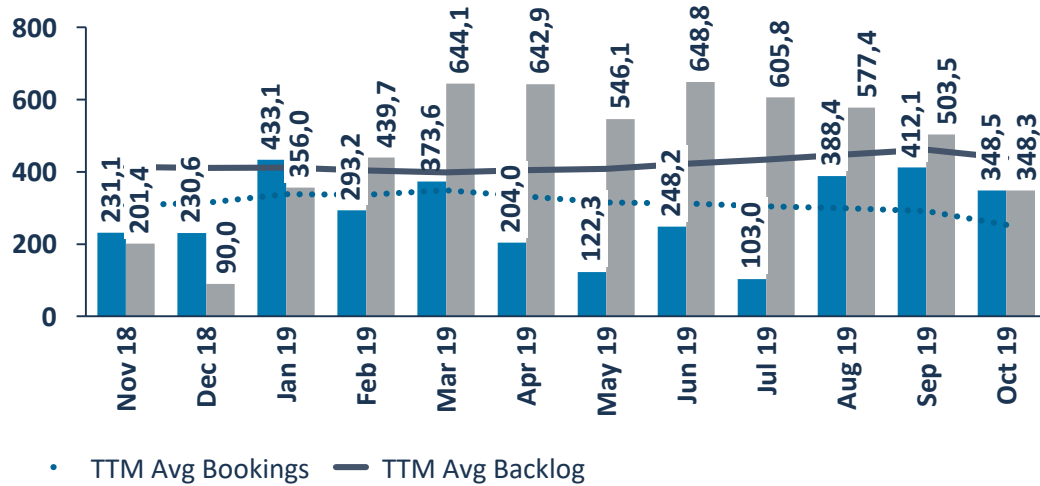
## YTD Revenue

€ millions



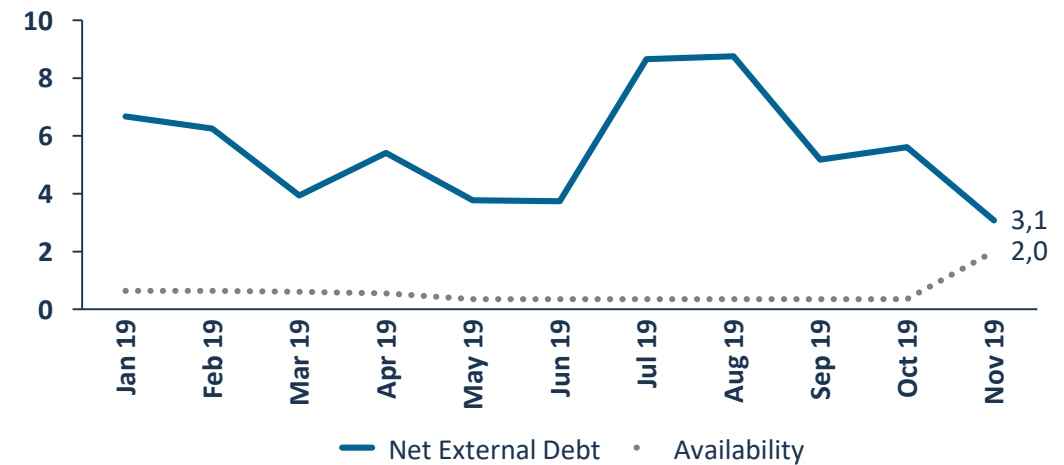
## Order Intake

€ millions



## Liquidity

€ millions



• TTM Avg Bookings — TTM Avg Backlog

■ MTD Bookings ■ MTD Backlog

1. YTD actuals + remaining year forecast

## 3.f | Fichet



## Executive Summary: November 2019

- November sales reached €11.2M in line with previous months, but is -10% below Budget and -2% below PY ; Variance with budget driven by Entrance control / Turnstiles and Safe & Vault
- Like-for-like EBITDA in November was €0.4M which is lower than Budget (-52%) but better than PY (+1872% or €+0.4M)  
Accounting adjustment (IFRS 16) of €0.3M inflated EBITDA to a reported EBITDA of €0.7M
- Like-for-like YTD EBITDA at €-2.6M is lower than Budget (-87%, or €-1.2M) but better than PY (+59% or €+3.6M)  
YTD IFRS 16 impact of €+3.2M will increase reported EBITDA to €0.6M in 2019
- Like for like FY 2019 EBITDA is forecasted at €-2.0M vs PY at €-6.4M and a budget at €-0.4M; full year IFRS 16 impact of €+3.5M will increase reported EBITDA to €1.5M in 2019
- “Fichet Next”: On-going transformation activities including definition of R&D roadmap and processes, manufacturing KPI definition and saving plan
- Group reorganisation/redundancy plan: FB (16 jobs) Process completion by end of December, FSSF: 11 vacant position in Sales to be recruited
- On-going recruitment of the Group Sales Director with 3 candidates interviewed. Decision in December
- Fichet Group 1<sup>st</sup> Year Anniversary – Management tour in each Branch + communication on new organisation and strategy

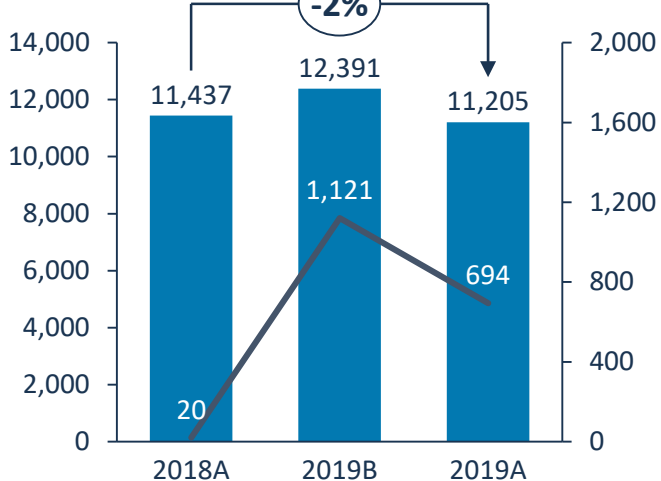
M €	Nov MTD		Nov YTD		Full Year	
Period	Rev	EBITDA	Rev	EBITDA	Rev	EBITDA
19A	11,2	0,7	116,0	0,6	127,9	1,5
19B	12,4	1,1	121,3	1,8	133,9	3,1
19A % of 19B	90%	62%	96%	34%	95%	49%
18A	11,4	0,0	113,0	-6,2	124,9	-6,4
19A % of 18A	98%	3407 %	103%	-10%	102%	-24%

## Status Update: Project Details

Project		Current Status & Next Steps	Annualized EBITDA Impact (\$MM)	
			Projected	Actual
A. Backlog cleansing	●	• 2.7M€ identified to be reviewed (7% of the backlog) including 1.2M€ prior to 2018		
B. Group Sales Director and Benelux Sales manager recruitment	●	• 3 candidates interviewed for Group Sales Director. Decision in December • 2 candidates interviewed for Benelux Director		
C. Cost reduction and cash program	●	• Overdue reduction target (from €6M down to €4M). €5.2M to date		
D. New commercial strategy implementation / Transformation	●	• “Fichet Next”: on-going transformation workshops • Fichet Next tour by Board of Directors in all branch + 1 year anniversary message		
E. Restructuring Plan	●	• FSSF recruitment of 11 vacant sales rep position • FB: formalising the end of the redundancy process for 16 jobs, completed in Dec19	0.7	0.6
F. OGx initiatives	●	• Implementing digital processes (geolocalisation, Asset QR, E-procurement, ProFi), • Reorganizing R&D structure into an Agile organization	tbd	

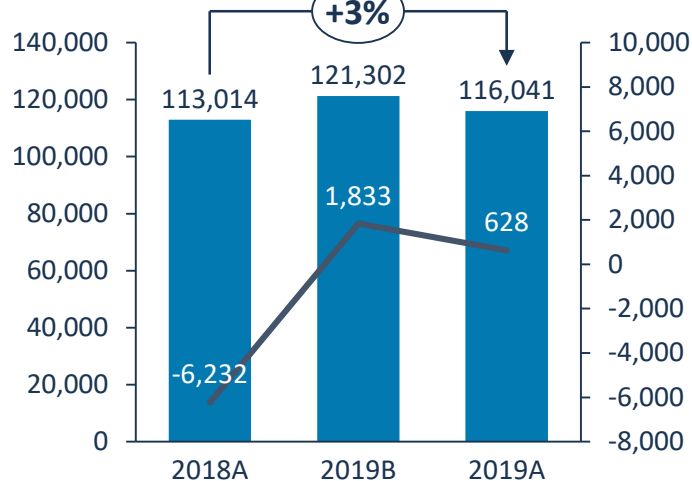
## Nov MTD

€000s



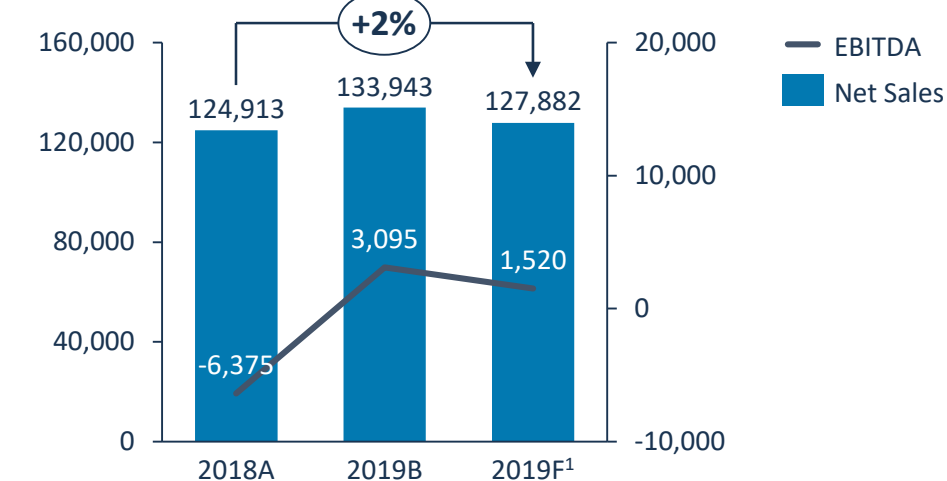
## Nov YTD

€000s



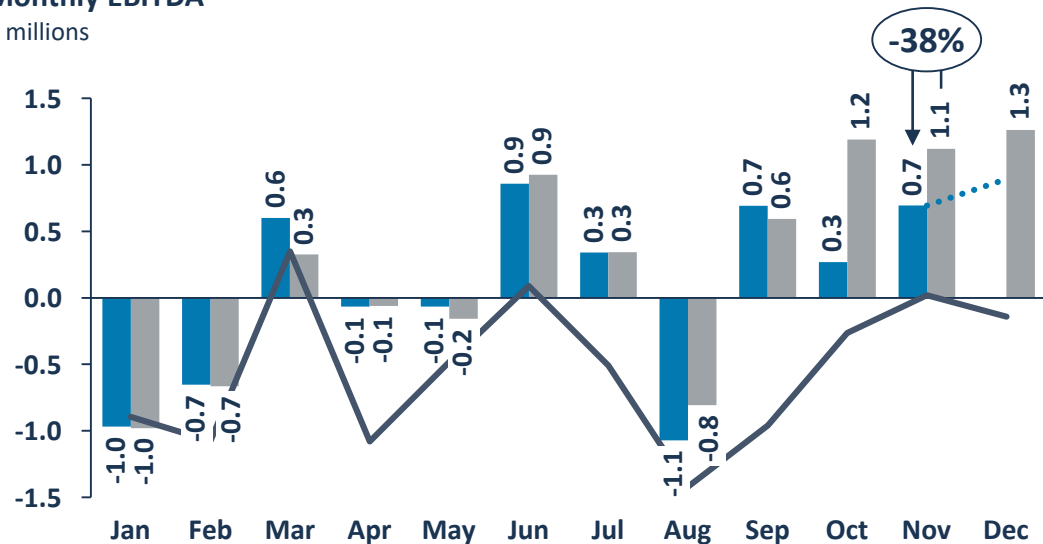
## Full Year

€000s



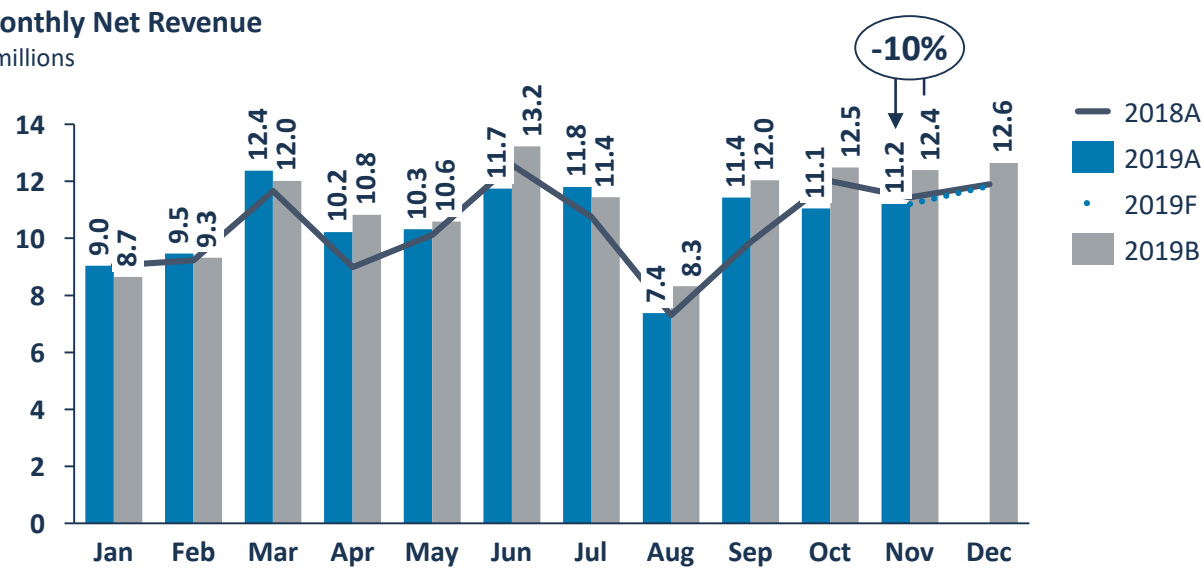
## Monthly EBITDA

€ millions



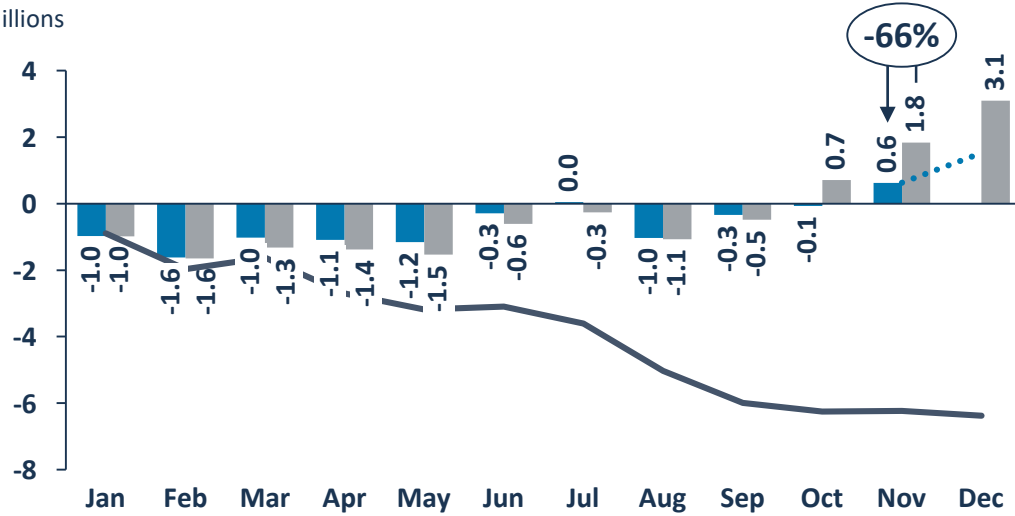
## Monthly Net Revenue

€ millions



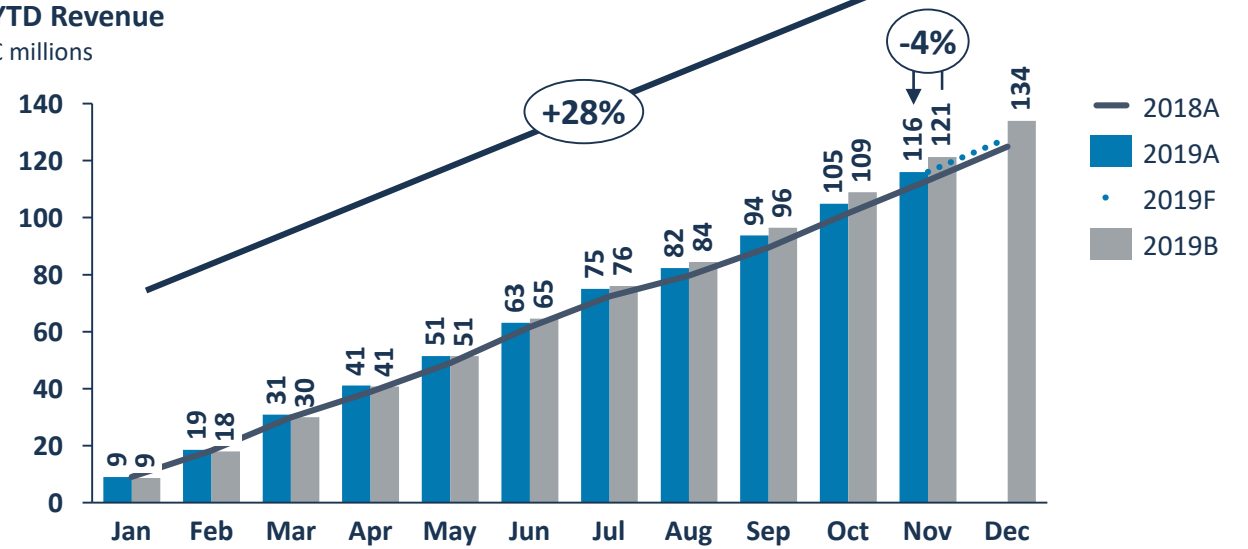
## YTD EBITDA

€ millions



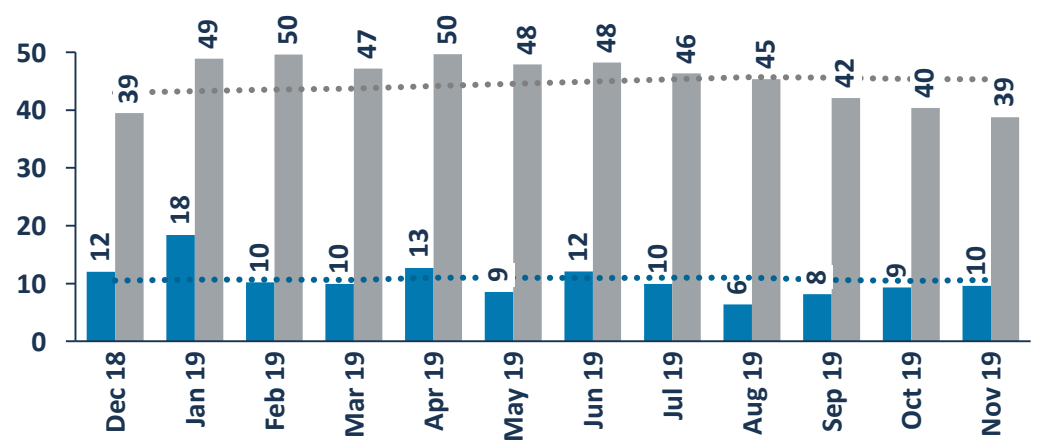
## YTD Revenue

€ millions



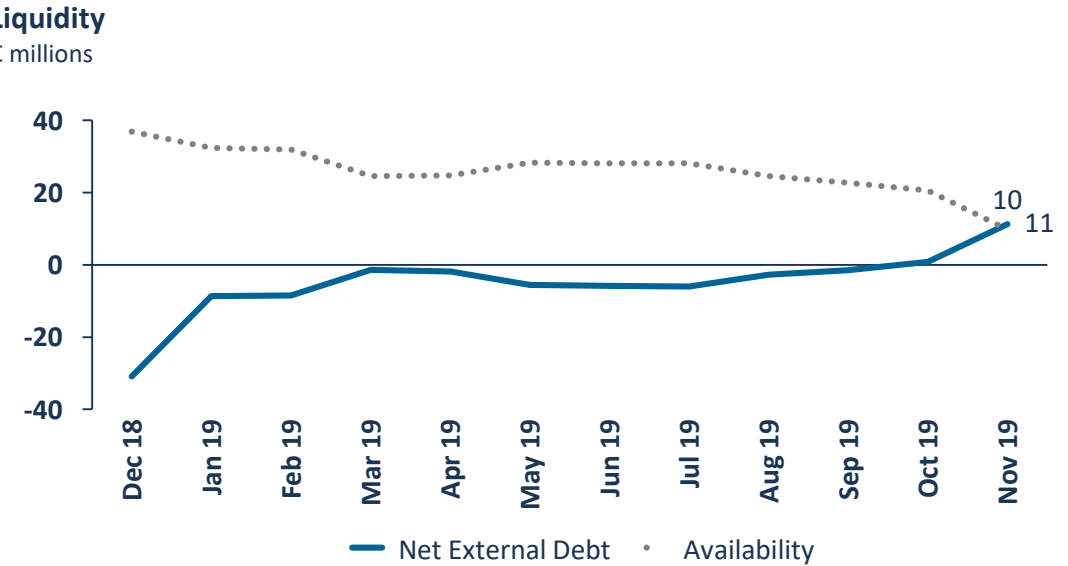
## Order Intake

€ millions



## Liquidity

€ millions



• TTM Avg Bookings • MTD Bookings • TTM Avg Backlog • MTD Backlog

— Net External Debt • Availability



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## Executive Summary: November 2019

- Note :19 business days in November 2019 vs. 21 in 2018. Like for like November sales were -7.1% vs budget and -1.6% vs PY. Vs PY, sales are +2.7% on Works activity and -14 % vs. on Industry activity.
- Like-for-like EBITDA in November at € 0.5 m (excluding favorable one-offs for € 0.7 m) of which € 0.6 m on Works and €-0.1 m on Industry is both lower than Budget (-80%, budget was overestimated for November) and PY (-50% or € -0.5 m), as 2018 included € 1.4 m of non recurring items. Low month on industry activity as a result of lower sales and extra maintenance costs on Coletanche production line.  
No accounting adjustment (IFRS 16) in November as YTD calculations were overestimated.
- Like-for-like YTD EBITDA at € 15.5 m (of which € 7.6 m on Works and € 7.9 m on Industry) is better than Budget (+23%, or €+ 2.9 m) and also PY (€+ 19.7 m of which €+ 16.1 m on Works and € + 3.6 m on Industry), as 2018 included € + 15.2 m of non recurring items (EBITDA reported as € 11.m). Impact of top line growth (+5.2% on works and + 8.3% on Industry) and better execution on works done as well decreasing SG&A vs. 2018. YTD IFRS 16 impact of € + 5.9 m increases reported EBITDA to € 21.4 m in 2019.
- Like for like FY 2019 EBITDA is forecasted at € 13.2 m vs PY at € -3.3 m (LY reported at 9.7 of which € +13m non recurring) and a budget at € 12.7 m ; full year IFRS 16 impact of € 6.2 m will increase reported EBITDA to € 19.4 m in 2019. Reforecast of € 19.4 m seems conservative, December is expected to be a month with a negative EBITDA.
- Follow up of accident (fire) during waterproofing works early September in a medical center west of France. No individual injured. But direct damages and consequential losses estimated now at **€ 12 m** fully covered by civil liability insurances except 200 K€ deductible. Increase of insurance premiums to expect in 2020.

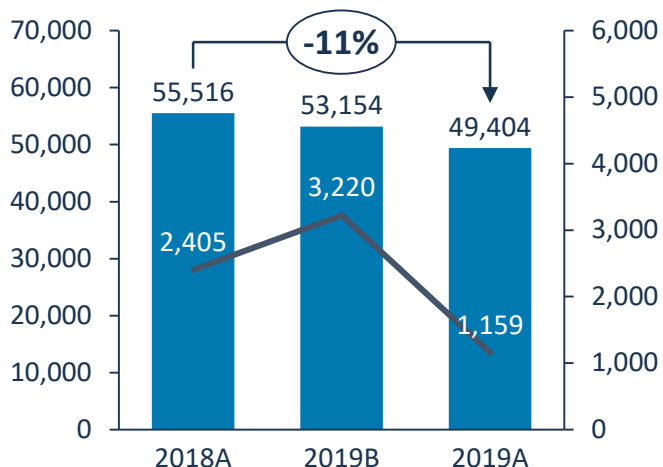
M €	NOV MTD		NOV YTD		Full Year	
Period	Rev	EBITDA	Rev	EBITDA	Rev	EBITDA
19A	49.4	1.1	550.8	21.4	585.1	19.4
19B	53.2	3.2	555.1	19.2	585	19.9
19A % of 19B	92.9%	42%	99%	111%	100%	101%
18A	55.5	1	519.7	-5.6	556.7	-3.3
19A % of 18A	89%	110%	106%	X	105.1 %	x

## Status Update: Project Details

Project		Current Status & Next Steps	Annualized EBITDA Impact (\$MM)	
			Projected	Actual
A. Social Roadmap		• New framework agreements in place for internal mutual fund and social benefits including profit sharing agreement	€ + 2m	NA
B. Operational excellence implementation		• Test in 3 different local branches during next 3 months to test robustness of the standards identified.	+ [2] m€ min	NA
C. IT Carve-Out and definition of new ERP		• IT carve out on time as of today. No red flag. • ERP project : Decision taken to go with SAP S/4 Hana. Finalization of contracts ongoing	+ [x] m€-TBD	NA
D. Sale of Industry Division		• Work in progress on VDD streams. Announcements to employees on Nov 18 • Decision taken to go the market early January 2020.	TBD	NA
E. OGx initiatives		• Actions ongoing to capture the growth potential of major development of Paris area (new subways line / Olympics 2024) • Reinforcement of sales team to boost export sales of industry division.	NA	NA

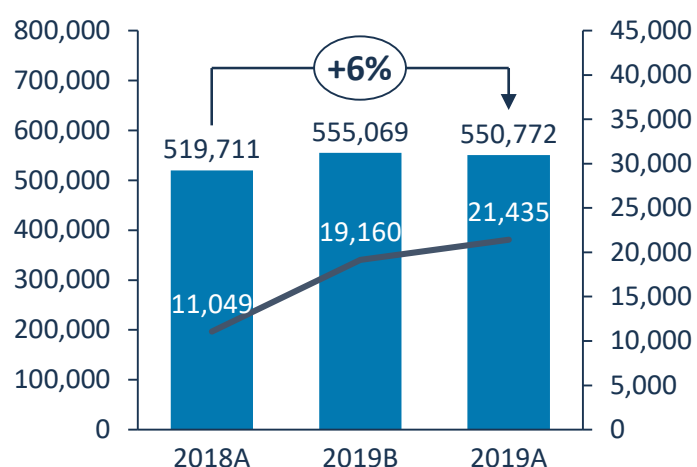
## Nov MTD

€000s



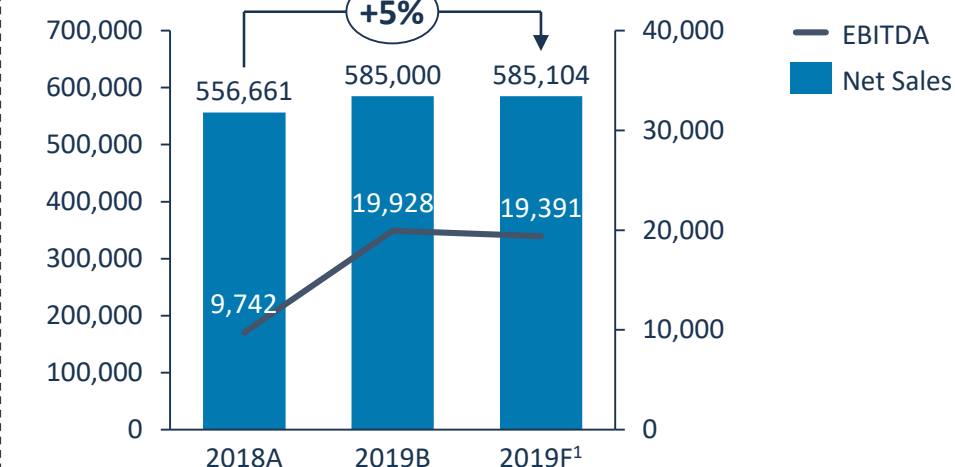
## Nov YTD

€000s



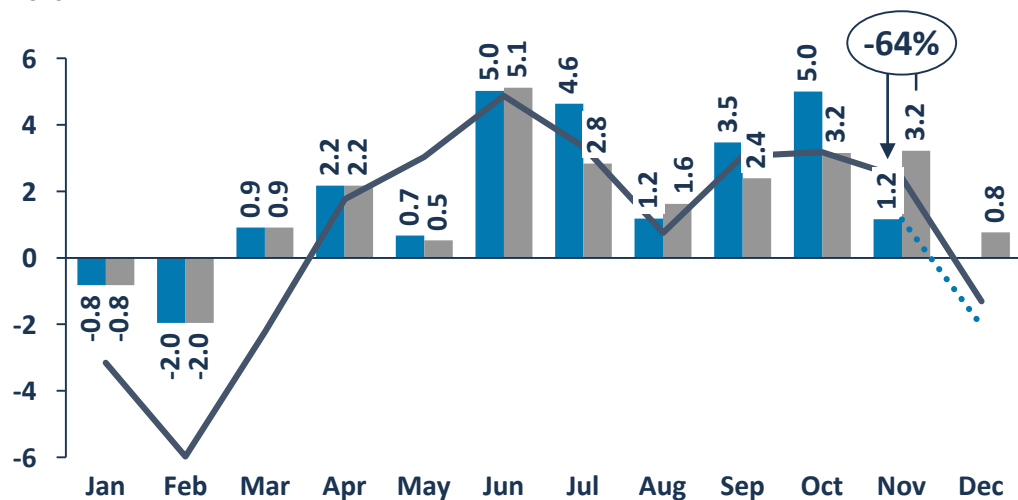
## Full Year

€000s



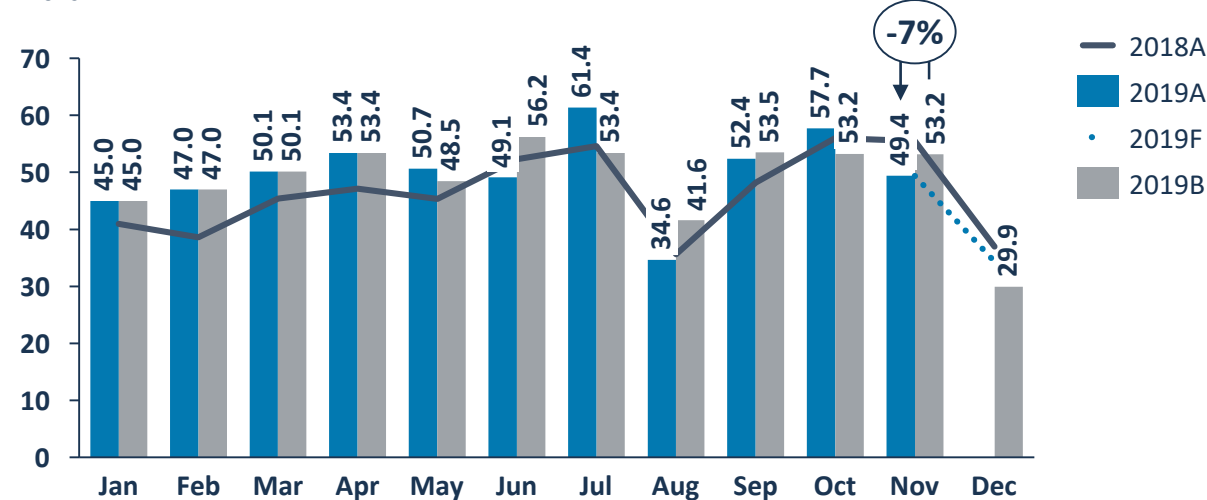
## Monthly EBITDA

€ millions



## Monthly Net Revenue

€ millions

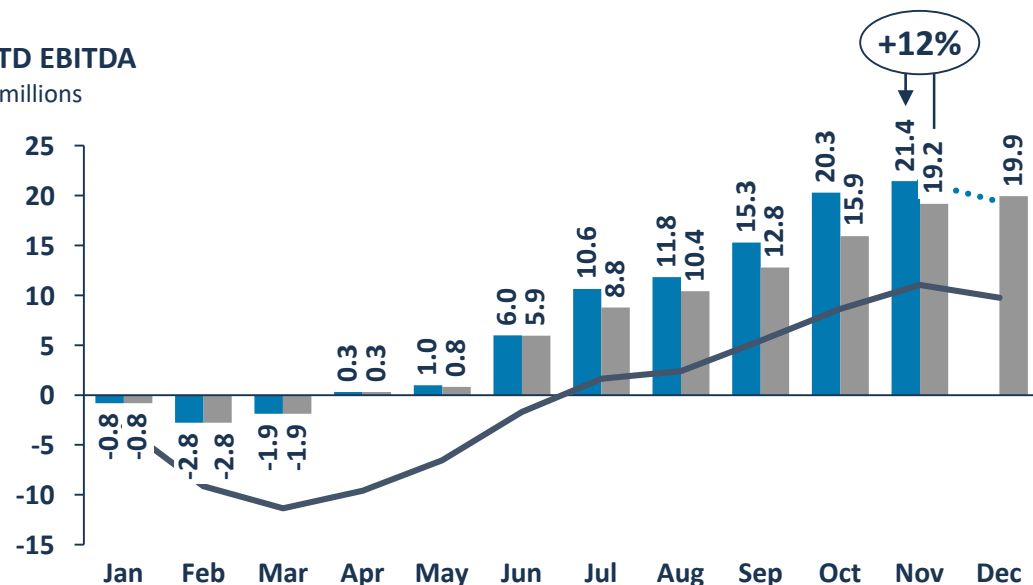




# Monthly Financial Metrics

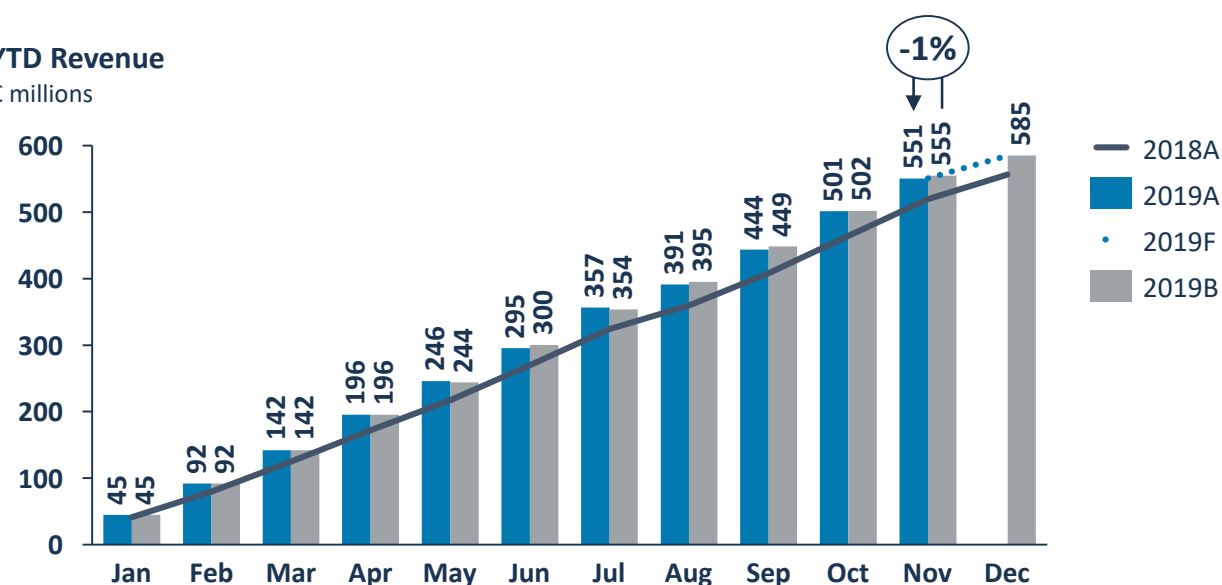
## YTD EBITDA

€ millions



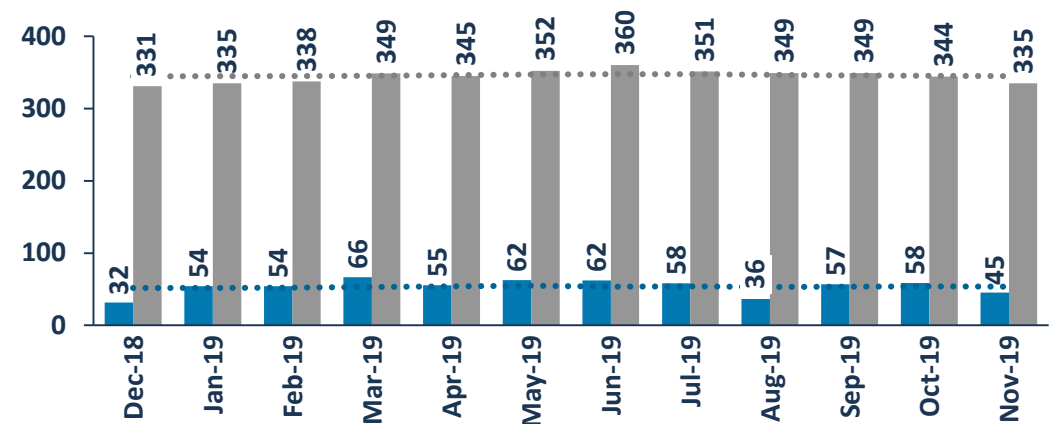
## YTD Revenue

€ millions



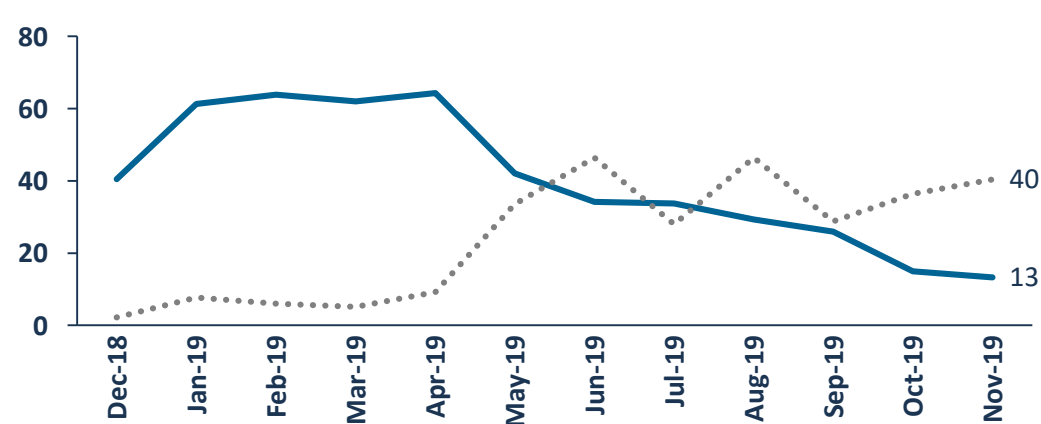
## Order Intake

€ millions



## Liquidity

€ millions



• TTM Avg Bookings • MTD Bookings • TTM Avg Backlog • MTD Backlog



OPENGATE CAPITAL 1. YTD actuals + remaining year forecast

Availability = cash + undrawn lines from factoring (impact since closing May June 2019)

Net External Debt = Debt to bank (including factor debt) + IFRS 16 debt (16.4m€) + Seller Note (8m€) - CASH

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## Executive Summary: November 2019

- November sales were -19% below Budget , -18% vs. 2018 and -12% vs. latest reforecast. Vs 2018, decrease is mainly driven by Metallurgy end market, by € - 1.2 m, €-0.8 m on Abrasives
- Like-for-like EBITDA in November at € 1.16 m is lower than budget (-28%) and lower than LY (-25%, i.e. € - 0.4 m). Decrease in top line is partly compensated by lower raw materials costs for petcoke. Accounting adjustment (IFRS 16) of € 0.1 m inflates EBITDA to a reported EBITDA of € 1.26 m.
- Like-for-like YTD EBITDA at € 16.4 m is lower than Budget (-19%, or € - 3.8m) and also PY (€ - 2.3 m). Vs. 2018, Impact of decreasing sales on Diesel filters, € - 9.2m; decrease in sales with Saint Gobain (€ -3 m => letter sent to confirm SPA commitments) not compensated by other activities such metallurgy, refractories or other specialty products. Negative impact as well of stop in production in Venezuela during Q2 impacting Q3 as well. Recent months positively impacted by lower costs of raw materials supply (petcoke)
- YTD IFRS 16 impact of € + 1.4 m increases reported EBITDA to € 17.8 m in 2019.
- Like for like FY 2019 EBITDA is forecasted at € 17.4 m vs PY at € 19.8 m, budget at € 21.3 m, and post closing initial reforecast at € 19.3m ; full year IFRS 16 impact of € 1.5 m will increase reported EBITDA to € 18.8 m in 2019. Lower current trading on sales is compensated by lower raw materials costs. Actions launched as well to adapt organization especially in Norway with a €1.3 m€ savings impact in 2020 vs. 2019.

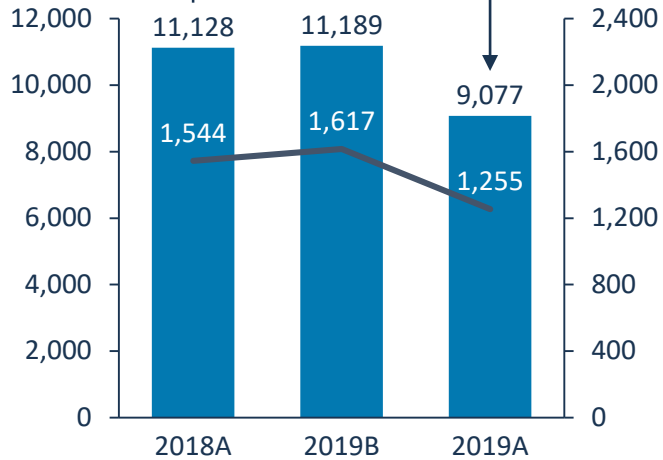
M €	NOV MTD		NOV YTD		Full Year	
Period	Rev	EBITDA	Rev	EBITDA	Rev	EBITDA
19A	9.1	1.25	112	17.8	122.2	18.8
19B	11.2	1.6	125.1	20.3	133.9	21.3
19A % of 19B	81.2%	78%	89.5%	87.7%	91.3%	88.7%
18A	11.1	1.54	122.8	18.7	131.4	19.8
19A % of 18A	82%	81.1%	91.2%	95.2%	93%	95.4%

## Status Update: Project Details

Project		Current Status & Next Steps	Annualized EBITDA Impact (\$MM)	
			Projected	Actual
A. Closing Accounts	●	<ul style="list-style-type: none"> <li>No agreement found with Saint Gobain. Mazars to be appointed as independent expert</li> <li>Start of their diligences in January 2020.</li> </ul>	TBD	NA
B. Management and HQ	●	<ul style="list-style-type: none"> <li>Finance : new Finance Team at HQ in place including new CFO.</li> <li>COO : COO recruited in Sept dismissed. Recruitment of new one ongoing with Korn Ferry</li> </ul>	NA	NA
D. IT Carve-Out	●	<ul style="list-style-type: none"> <li>Expectations to end TSA by end of February but potential delay (still covered by TSA) due to back and forth with Saint Gobain</li> </ul>	NA	NA
E. Strategic Roadmap	●	<ul style="list-style-type: none"> <li>Debriefing of work done on Dec 19 identifying business development priorities, M&amp;A possibilities.</li> </ul>	TBD	NA
F. Venezuela	●	<ul style="list-style-type: none"> <li>Increasing power costs ongoing locally impacting internal cost of supply of crude SIC for Belgium. Analysis ongoing with the management.</li> </ul>	+ [x] M€	NA
G. OGx initiatives	●	<ul style="list-style-type: none"> <li>Review of pricing policy</li> <li>Development of new product (e-SIC with purity at 99.999%). Investment of €1 m in 2020.</li> <li>Work with Xponential on branding items / CO2 among others</li> </ul>	+ [x] M€	-1.m€

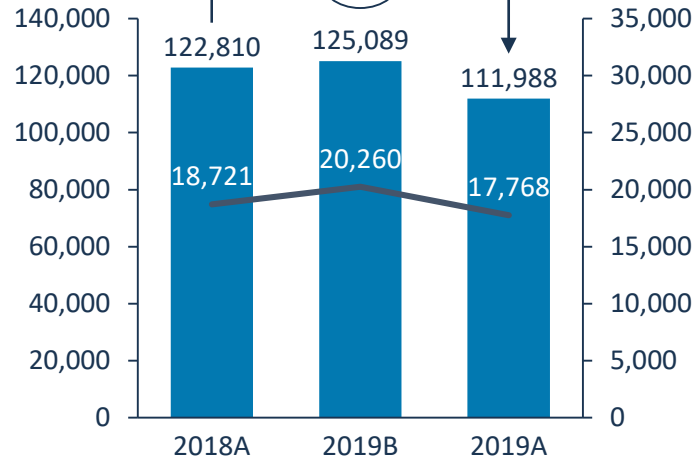
## Nov MTD

€000s



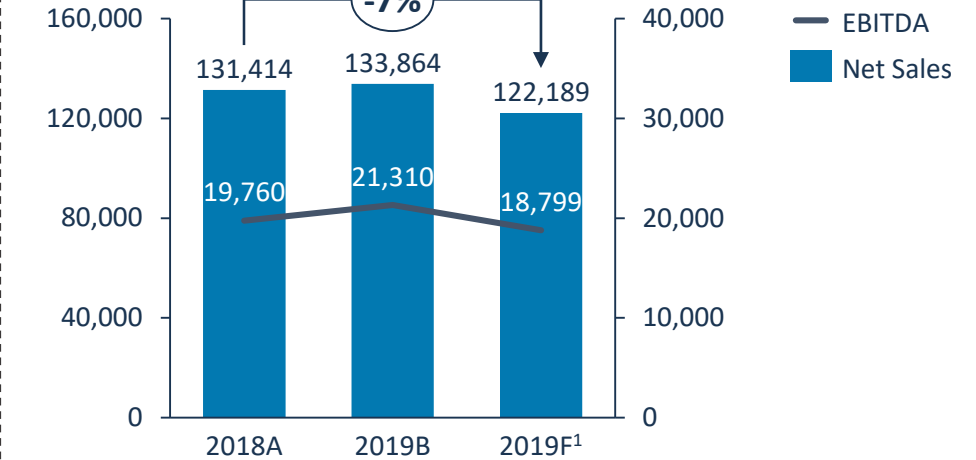
## Nov YTD

€000s



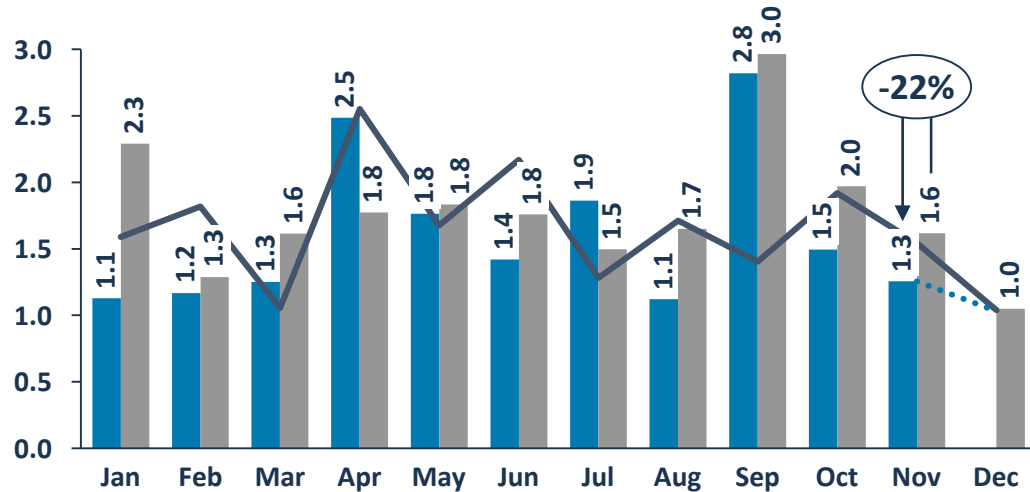
## Full Year

€000s



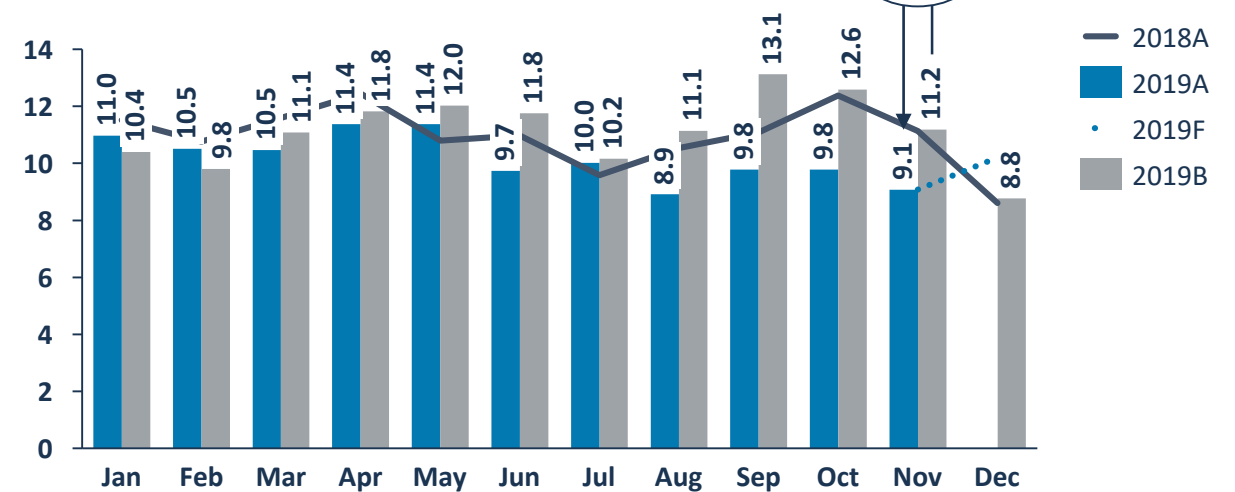
## Monthly EBITDA

€ millions



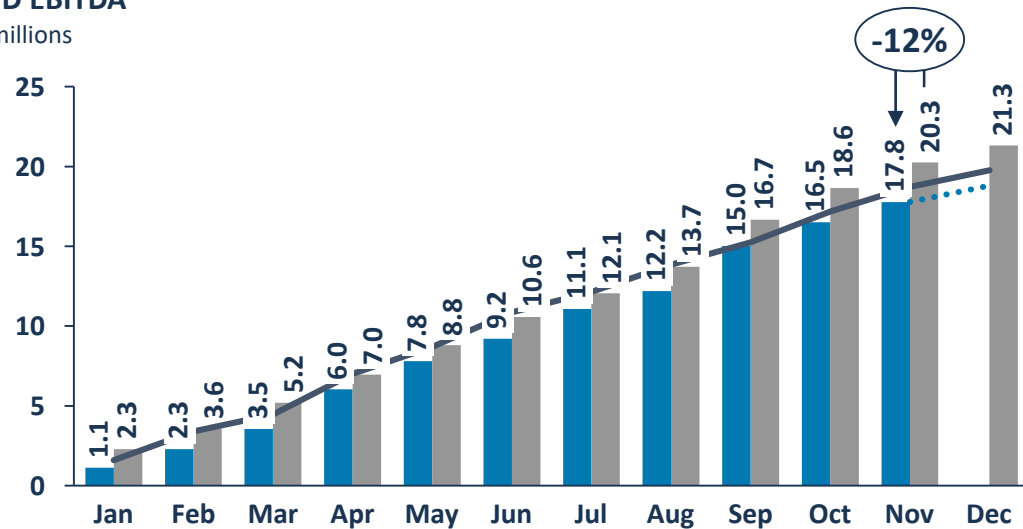
## Monthly Net Revenue

€ millions



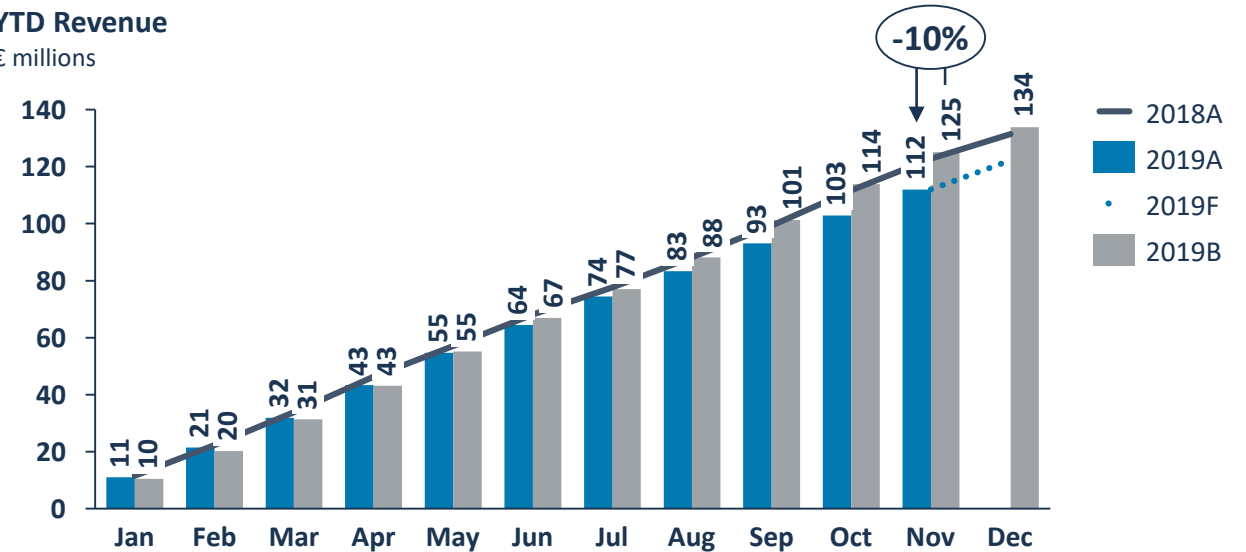
## YTD EBITDA

€ millions



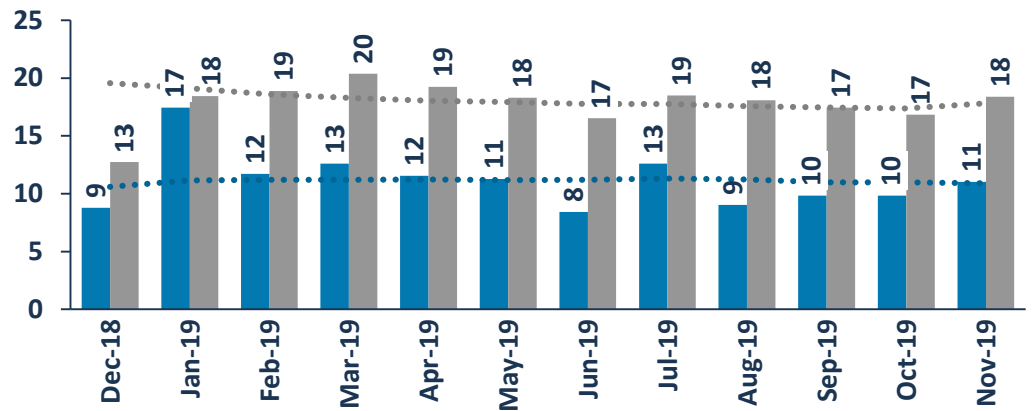
## YTD Revenue

€ millions



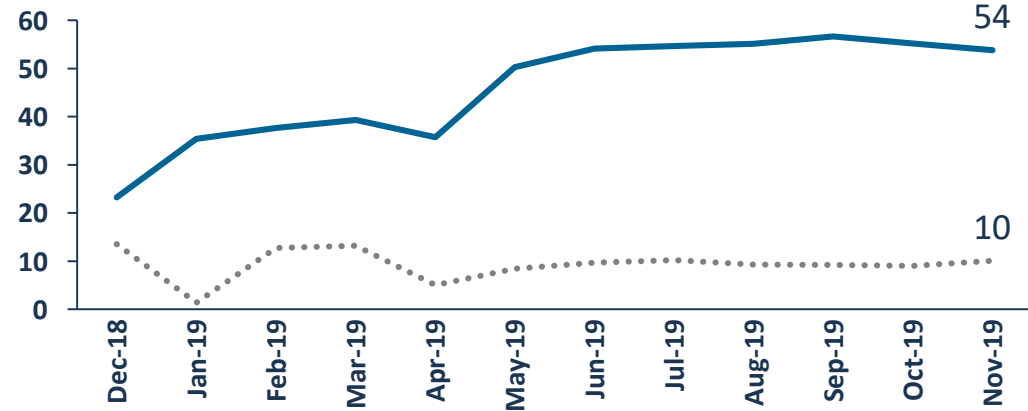
## Order Intake

€ millions



## Liquidity

€ millions



• TTM Avg Bookings • MTD Bookings • TTM Avg Backlog • MTD Backlog

— Net External Debt • Availability



OPENGATE CAPITAL 1. YTD actuals + remaining year forecast

Liquidity = cash at bank at this stage. (undrawn lines of factoring not taken into account yet)  
Next external debt includes now the impact of the Bond issued by FIVEN AS and IFRS 16 debt for 5.7 m€

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