

Hufcor - Monthly Operating Review (MOR)

Thru April

Conf. Call Date: May 21, 2019

Executive Summary

2019 Plan w/ Initiatives Details

Financial Review

Governance Reporting

Appendix:

- Supplemental Financial Information
- Additional Back Up Slides

Executive Summary – April



Desirable:

- April EBITDA: \$1.3M (11% of Rev) vs. PY April -\$260K (-2.5% of Rev), \$1.5M swing YOY

	F'16	F'17	F'18	F'19
EBITDA %	5.6%	5.6%	-2.8%	6.2%
GM %	28.6%	27.7%	22.3%	26.2% <i>*Thru April</i>

Key Drivers:

- Variable cost control, April COS 69% vs. PY at 76%
- OPEX spend control, April 20% vs. PY at 25.9% (~\$635K lower, normalized)
 - April SG&A salaries were ~\$370 lower vs. PY (\$860K vs. \$1.24M)

- YTD Janesville output up 28% YTD:

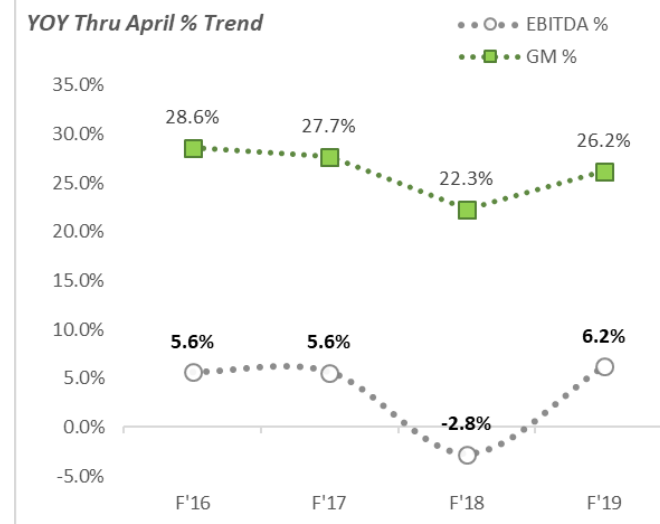
	2018	2019	%
April	5,467	6,808	25%
1st 4 Months	20,428	26,106	28%

- 12 month rolling backlog reached new record high of **\$95.8M/Total backlog \$103.9M**
- HX product launch continues to track, now looking at a 100% outsource model w/ Cooper

Undesirable:

- OPEX spend is “ok” need to control Professional Fees (need to be careful here)
- Normalized for wage rate increase (2017 JVL labor contract oversight) direct labor is up 38% vs. a revenue increase of 20% (Q1 vs. PY Q1)
 - Impact to FY 2019, hourly wage increase ~\$400K
- We identified the fact that Germany/EU business unit has been pricing at “cost” when rolled up (business is being priced to deliver a breakeven P&L), this has been happening for years
 - Targeting a ~12% blended price increase to the distributor channel
- Financial tools, month end close, FP&A in full rebuilding mode, have found multiple issues with the legacy team work/templates/etc.

YOY Thru April % Trend



Cost Control & Output Increase Delivering EBITDA YTD , Offsetting Legacy Price Decisions...

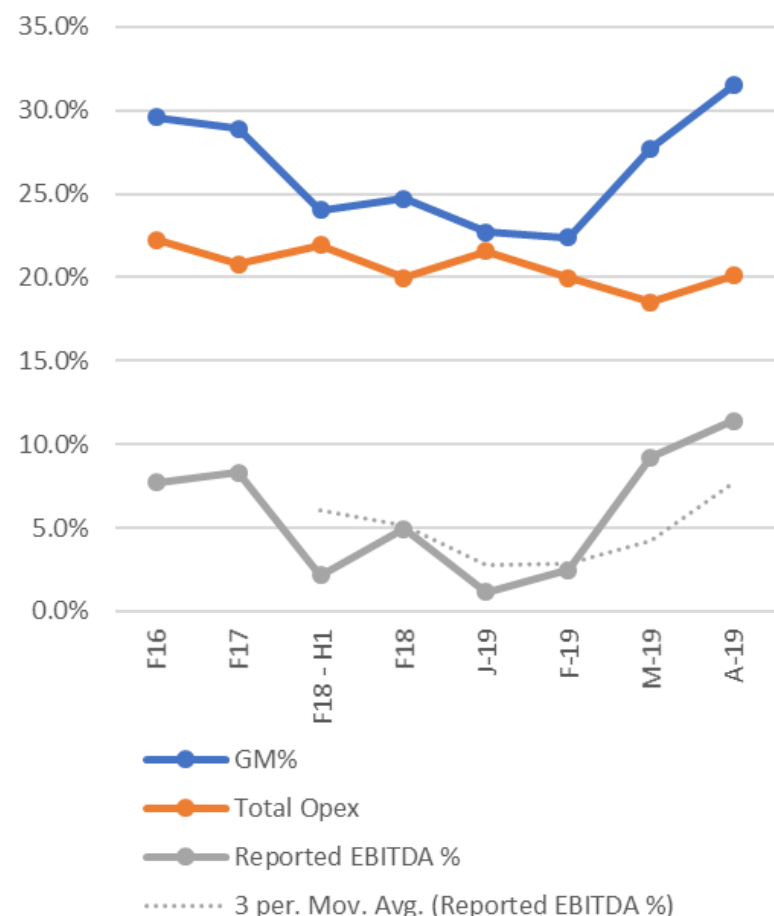
% of Revenue Trends



	2018				2019			
	F16	F17	F18 - H1	F18	J-19	F-19	M-19	A-19
GM%	29.6%	28.9%	24.0%	24.7%	22.7%	22.4%	27.7%	31.5%
Total Opex	22.3%	20.8%	21.9%	20.0%	21.6%	20.0%	18.5%	20.1%
Reported EBITDA %	7.7%	8.3%	2.2%	4.9%	1.1%	2.4%	9.2%	11.4%

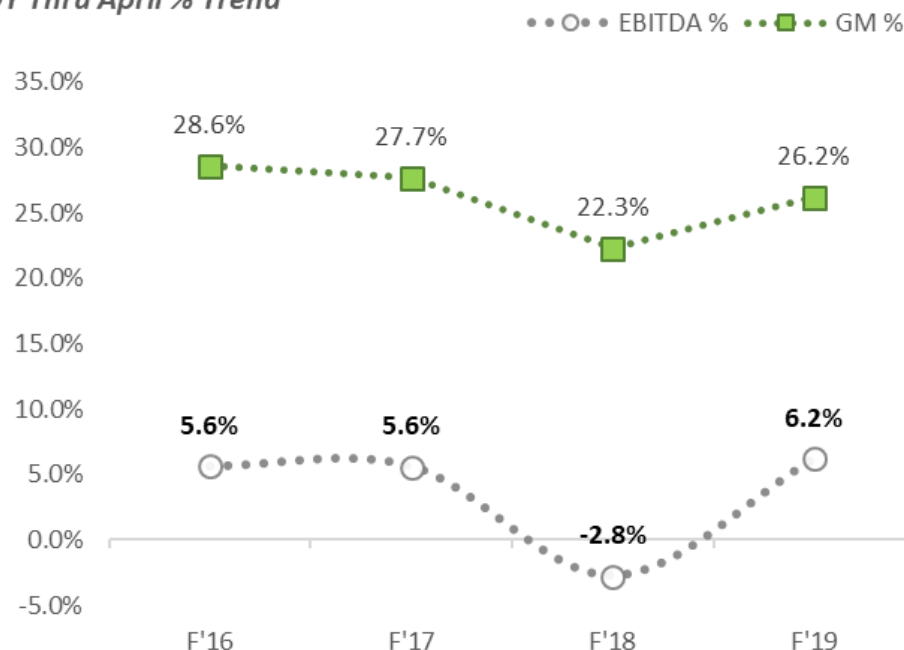
	F'16	F'17	F'18	F'19
Sales	\$40,246,690	\$42,177,803	\$41,252,027	\$44,010,644
EBITDA	\$2,253,853	\$2,359,195	(\$1,145,343)	\$2,729,528
	5.6%	5.6%	-2.8%	6.2%

Key % Trends - GM, OPEX, EBITDA



Total Cost of Sales	\$28,747,724	\$30,499,482	\$32,055,059	\$32,486,739
% of Total Sales	71.4%	72.3%	77.7%	73.8%
Gross Profit	\$11,498,966	\$11,678,321	\$9,196,969	\$11,523,905
% of Total Sales	28.6%	27.7%	22.3%	26.2%

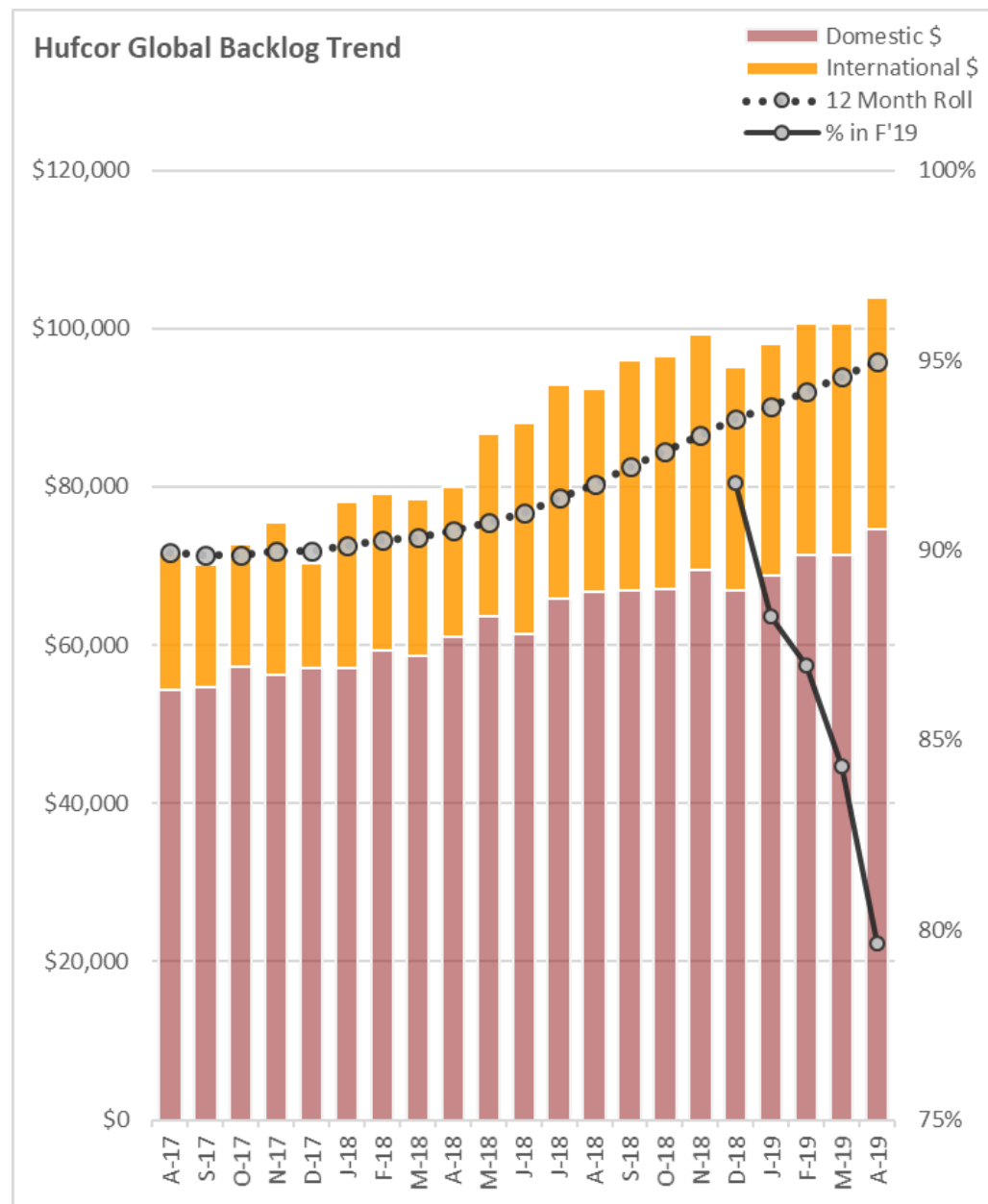
YOY Thru April % Trend



Thru April "positive" EBITDA drives \$3.9M swing YOY...

Compared to Historical Actuals a "Solid Start", +\$3.9M Swing vs. 2018 (thru April)...

Global Backlog Trend



Overview:

- **Global backlog up: 29.8%**
 - Domestic: 22%
 - International: 53% (*number of large projects managed out of JVL*)
- Securement NA% change “impact”:
 - YTD: \$1.65M of incremental GM \$s
 - 65% vs. 62.4%
- Recent domestic pricing changes:
 - Service parts
 - Min. order quantity
 - Logistics
- Texas and SW Hufcor team rebuilding underway and starting to see improvements in both sales territories
- EU pricing needs a full “redo” (*see detail slide 11*)

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

"One Pager" – Priorities for Q2 & Q3



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

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

2019 - Q2 & Q3 (Stabilize)

	Maintain/Expand Industry Lead Times			Growth		Visibility	Productivity
	1 120 Day Plan	2 HX Roadmap	3 Second Site Ramp	4 Products & Revenues	5 Pricing	6 Rebuild Planning Function	7 YOY Cost Control
Description	1 - Engage to the shop floor 2 - Reopening team process upgrade 3 - New shop floor scheduling logic 4 - Restructure Cost Team (20K 3" P)	1 - Close training pass doors 2 - Ramp 2nd shift 3 - Equipment 1700 and overhaul	1 - Refine/Capex 2 - Glass 3 - 400 firm orders converted to HX	1 - HX 2 - PS5 3 - New Vertical Wall 4 - 10' x 12' Bulk in Flat Screen 5 - A&D Sellers 6 - Rebuild TX & CA (Field Operations)	1 - E2 pricing analysis (internally done Q3 2018) 2 - Refresh USA pricing analysis (internally done in Q3 2018) 3 - Comment Template 4 - FPEA Basics 5 - Sage/Procure	1 - Document month end close 2 - Rebuild statement model (MS Excel) 3 - Comment Template 4 - FPEA Basics 5 - Sage/Procure	1 - TCM & Warranty 2 - OPEX 3 - Headcount 4 - Overtime 5 - T&E 6 - Professional Services 7 - PPV
Executive Owner(s)	Justin Smith Robert Misch	Ruby Lavery Justin Smith	Justin Smith	Robert Misch Mike Kontrawinski	Mike Kontrawinski	Robert Misch	Robert Misch
Tactical Owner(s)	Gary Sullivan Scott Thacker	Shawn Chang	Jose Hernandez Mark Davis	Paul Barnes Gary Sullivan	Zach Franklin Steve Wolfe	Lesley Swann Paul Barnes	Justin Smith Ruby Lavery
External Support	Yes - H4	N/A	N/A	Yes - H4	Yes - H2 & H2	Yes - H4P	Yes - H1
Bridge Impact (\$MTC)	F \$100,000	B \$2,000,000	N/A	F \$100,000	Not in ADP \$2,400,000	N/A - Accuracy	A, B & C \$2,400,000

2019 - Q4



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

Rest of 2019

2020

2020 - Q1/Q2

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

2020 - Q3/Q4



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

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

Executive Summary

2019 Plan w/ Initiatives Details

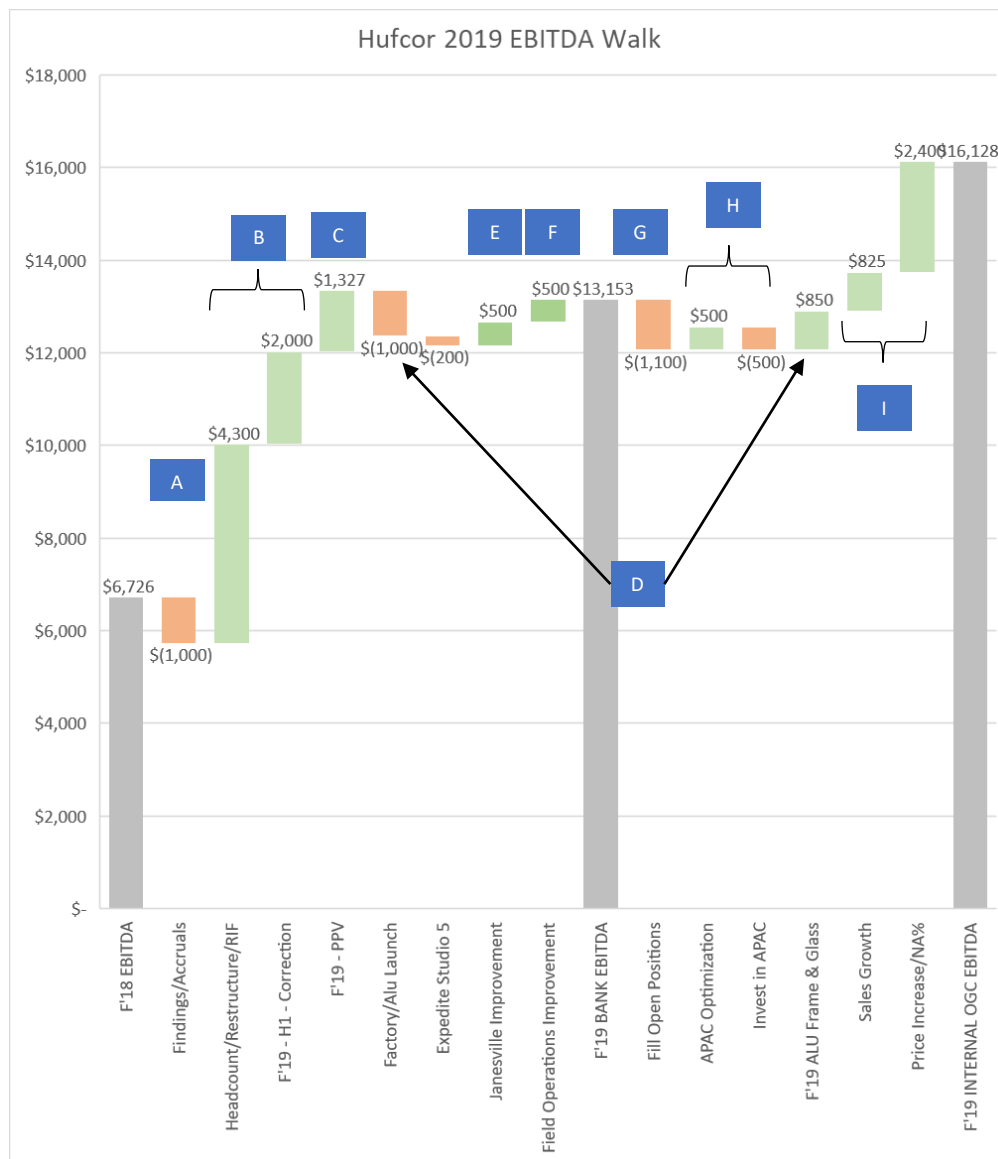
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EBITDA Bridge – 2019 (Bank + Upside Funnel of Actions)



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

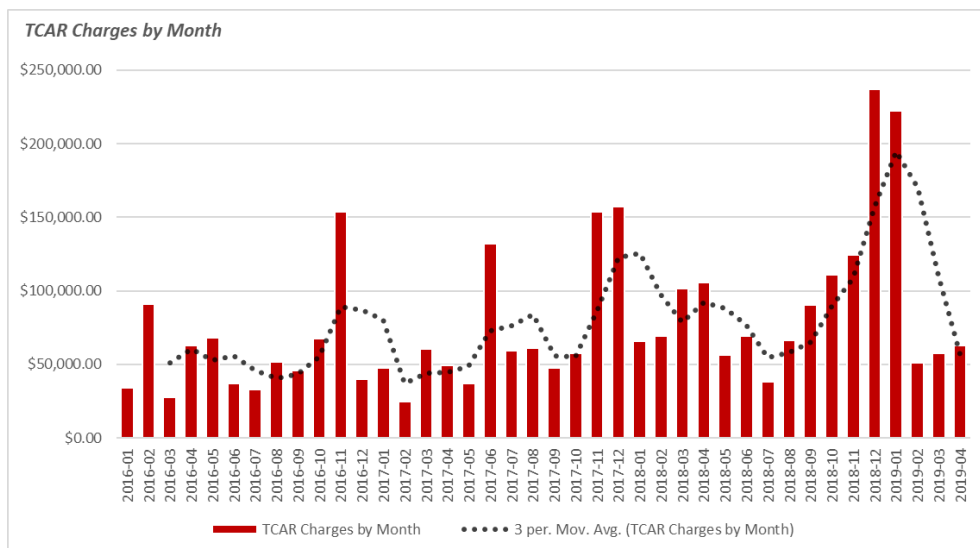
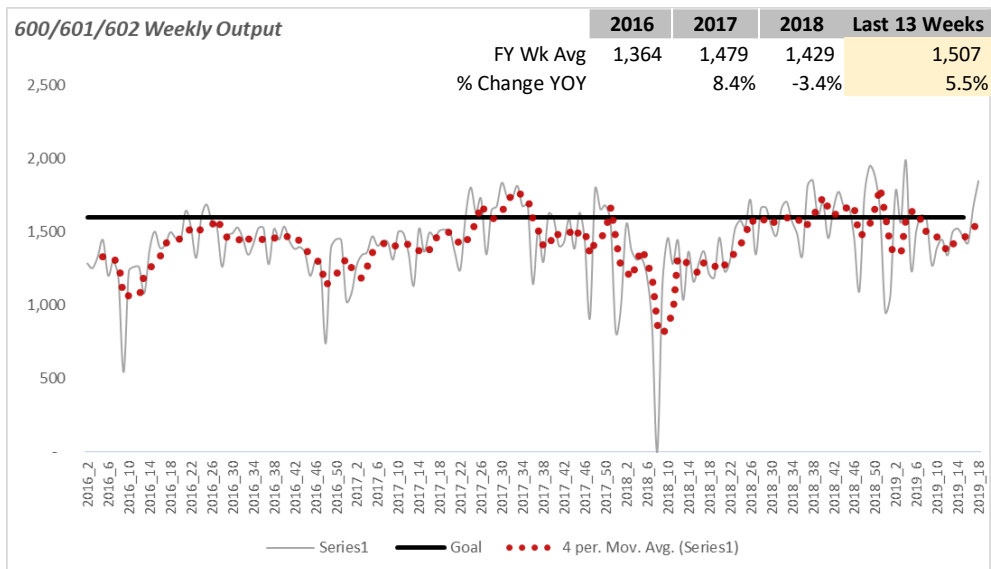
Comments:

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

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

Janesville Improvement: 120 Action Plan

E: \$500K



Output:

- YOY Janesville output up 28% YTD
 - 2019: 26,106 units vs. 2018: 20,428 units
- Last 13 weeks higher than average output past 3 years Average
- 2nd shift ramping up
- Working action plan for Pass Door Output Improvement

TCAR/Warranty:

- Continues to improve vs. Nov/Dec spike
- Handing off project to on site resource

120 Day Plan Update:

- Identified 98 Improvements Actions and Closed 21 in first 3 weeks
- Examples of Improvements:
 - Programming of cut and punch equipment updated
 - Data Sheet Corrections / Training
 - Material Handling of Faces / Storage Improvements
 - Roll Former / Cut & Punch "Feeder" Cells Communication and Coordination
 - Lever Closure Schedule Established that aligns to shipments
 - Pass Door Area Layout & Readiness
 - Water Spiders to Feed Lines
 - Clearer Schedules established for 601 and 602 Line
 - Various "small" Tool Availability / other operator raised items
- Larger Daily Stand up meetings commenced (still low maturity but getting better)
- Action taken on JVL Leader and actively staffing open roles

120 Day Action Plan In Progress, Yielding Incremental Improvement, More Work to Do...

F'19 PPV – Smith/Hernandez

C: \$1.3M



Action Item	Jan 2019	Feb 2019	Mar 2019	Apr 2019	F19 YTD
Aluminum thru US suppliers	\$ 7	\$ 7	\$ 7	\$ 6	\$ 26
Steel (Mkt Price)	\$ 21	\$ 21	\$ 21	\$ 9	\$ 72
Machined Parts vendor change	\$ 3	\$ 3	\$ 3	\$ 3	\$ 13
JVL Parts - Brackets to KANDU	\$ -	\$ -	\$ -	\$ -	\$ -
JVL Parts - Alpha Plastics	\$ -	\$ -	\$ -	\$ -	\$ -
Glass move to TrueLite	\$ 2	\$ 3	\$ 3	\$ 2	\$ 9
Hufcor Guangzhou Sourcing	\$ 6	\$ 6	\$ 6	\$ 6	\$ 24
Total YTD 2019 PPV JVL					\$ 144
Australia	\$ 9	\$ 12	\$ 28	\$ 13	\$ 61
Germany	\$ 15	\$ 15	\$ 15	\$ 15	\$ 60
Hong Kong	\$ -	\$ -	\$ -	\$ -	\$ -
China	\$ 11	\$ 5	\$ (1)	\$ -	\$ 15
Malaysia	\$ 6	\$ 3	\$ 6	\$ 3	\$ 18
Total Global PPV					\$ 298

F'19+ Actions:

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

Action Item	F'19 Fcst	F'19 AOP	Var vs. AOP
Aluminum thru US suppliers	\$ 96	\$ 50	\$ 46
Steel (Mkt Price)	\$ 263	\$ 168	\$ 94
Machined Parts vendor change	\$ 48	\$ 32	\$ 17
JVL Parts - Brackets to KANDU	\$ 25	\$ 22	\$ 3
JVL Parts - Alpha Plastics	\$ 40	\$ 88	\$ (48)
Glass move to TrueLite	\$ 31	\$ 1	\$ 30
Hufcor Guangzhou Sourcing	\$ 89	\$ 97	\$ (8)
Total YTD 2019 PPV JVL	\$ 592	\$ 459	\$ 133
I-Tech Change over	\$ 150	\$ 375	\$ (225)
Steel (Mkt Price)	\$ 100	\$ 100	\$ -
Machined Parts vendor change	\$ 40	\$ 35	\$ 5
Plastic Extrusions Parts	\$ 25	\$ 25	\$ -
Gyp-Panel Ray	\$ 37	\$ 37	\$ -
Welded parts - find local source	\$ 45	\$ 35	\$ 10
Move from Omnova to Color Design	\$ 15	\$ 33	\$ (18)
Change reveal Track design	\$ 25	\$ 25	\$ -
Adhesive - vendor change	\$ 69	\$ 20	\$ 49
Glass move to TrueLite	\$ 19	\$ 19	\$ -
GL/GF/GT - new vendor in TX	\$ 20	\$ 20	\$ -
2019 JVL PPV	\$ 1,137	\$ 1,183	\$ (46)
Australia	\$ 224	\$ 157	\$ 67
Germany	\$ 220	\$ 87	\$ 133
Hong Kong	\$ -	\$ 39	\$ (39)
China	\$ 54	\$ 15	\$ 39
Malaysia	\$ 65	\$ 21	\$ 44
Total Global PPV	\$ 1,699	\$ 1,502	\$ 198

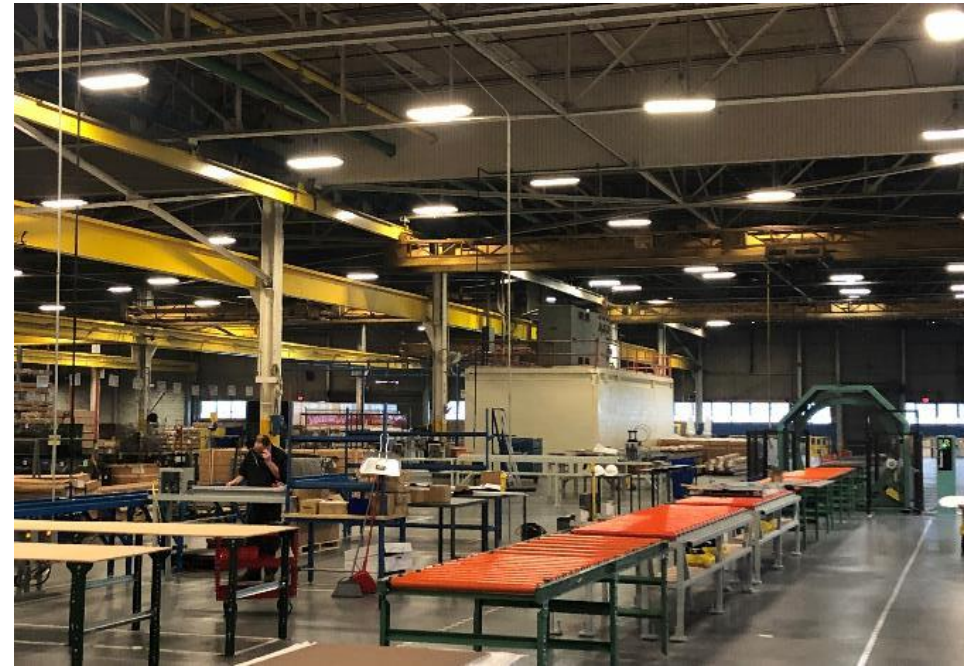
Action Plan To Drive \$1.5M in 2019, 2nd "Source" Key Focus of 2019 to Create Leverage...

Objectives:

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

Updates:

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



Assumptions:

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

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

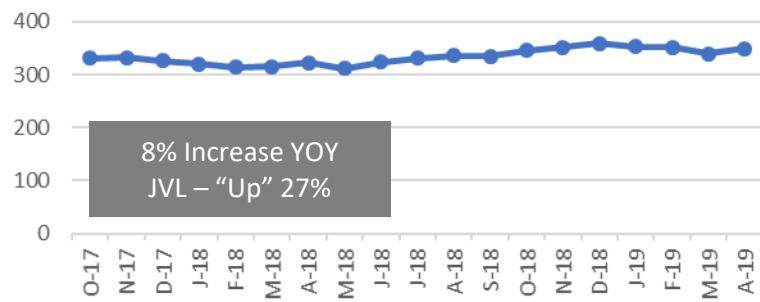
~22% Cost Savings With New HX Series, Projecting 4-6 Week Lead Times...

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

B: \$6.3M



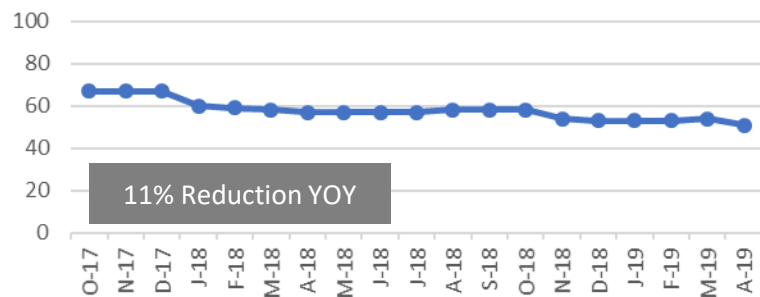
Hourly HC - Global



YTD:

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

Engineering & Customer Support



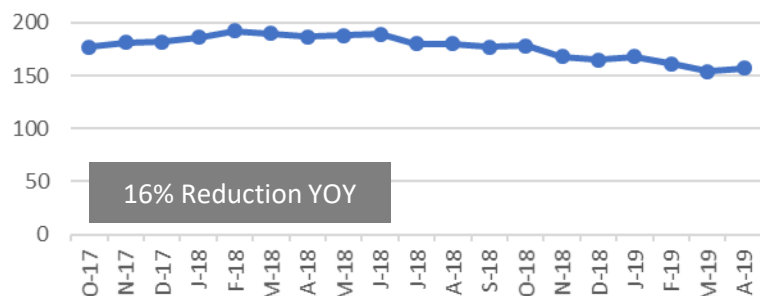
F'19 H1 Correction: \$2M

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

Headcount Reduction/Restructure/RIF: \$4.3M

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

Global SG&A



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

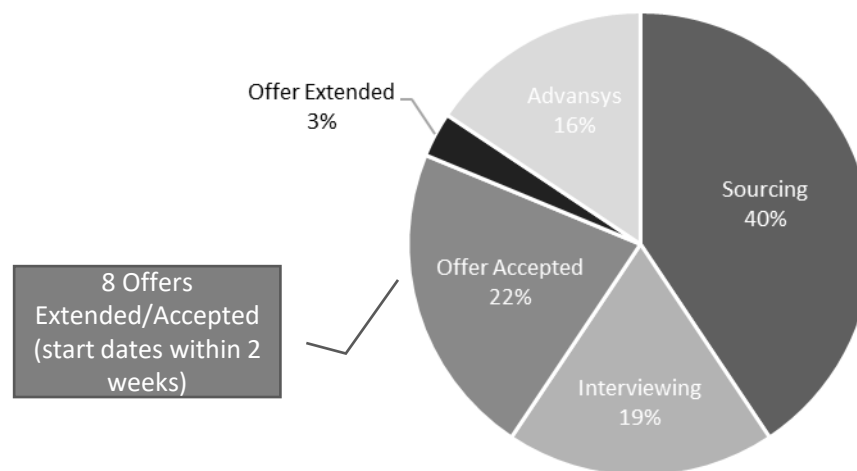
Fill Open Positions - Lawry

G: \$(1.1)M



Key Status / Actions:

- Filled 1 position, have 7 offers accepted and 1 offer extended since April BOD
- Sales
 - A&D Seller – Texas (Offer Accepted) & FL/East (Offer Accepted)
 - TX (Sales Rep & Estimator) – Filled
 - TX (Service Sales Manager) – Sourcing
 - CA (Service Sales) – Offer Accepted
- Operations
 - Plant Manager - Interviewing
 - Production Supervisors (2) – Offer Accepted (1), Interviewing (1)
 - Shipping Supervisor - Interviewing
 - Manufacturing Engineers (2) – Offer Accepted (1), Interviewing (1)
- Finance:
 - Controller – Sourcing
 - Accountant – Sourcing
- Advansys:
 - BIM – Sourcing
 - CAD (2) – Sourcing
 - AR/AP Support – Offer Accepted (5/19/19)
 - Contracts Admin – Final Interviews



Function	Open Reqs	Filled Reqs	Status	Status Notes
Engineering	1	0	○	1 (JVL - Sourcing)
Finance	3	0	○	1 (JVL), 2 (DAL) - Sourcing
HR	1	0	○	1 (JVL - Payroll/HR - Interviewing)
Installation	2	0	○	2 (FL - Interviewing)
IT	1	0	○	1 (JVL - Interviewing)
Operations	13	3	◐	10 (JVL - Production/ME/SC/Driver/Cost - Interviewing)
Project Management	2	1	◐	1 (CA - Sourcing)
Sales	2	1	◐	1 (TX - Sourcing)
Sales - A&D	2	2	●	2 (FL/East & TX - Offers Accepted)
Service	2	1	◐	1 (CA - Sourcing)

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

Domestic Market (ABI > 50)

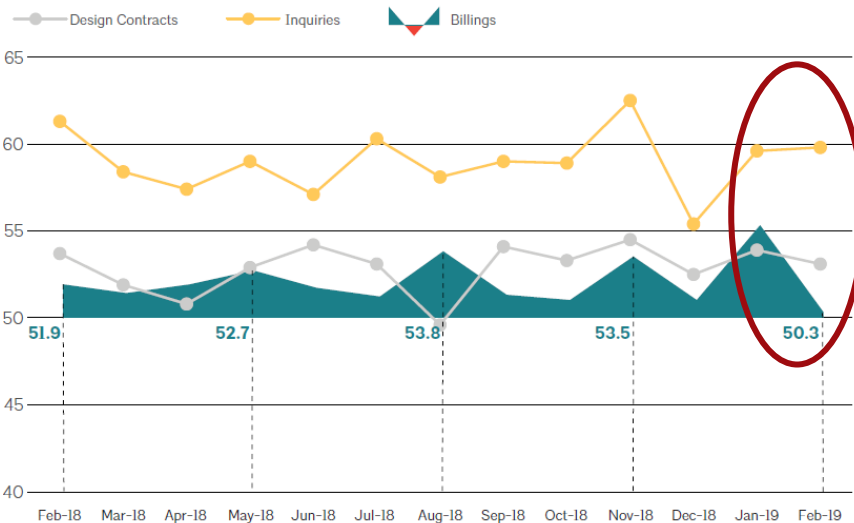
I: \$3.0M



National

Firm billings level off in February after January surge

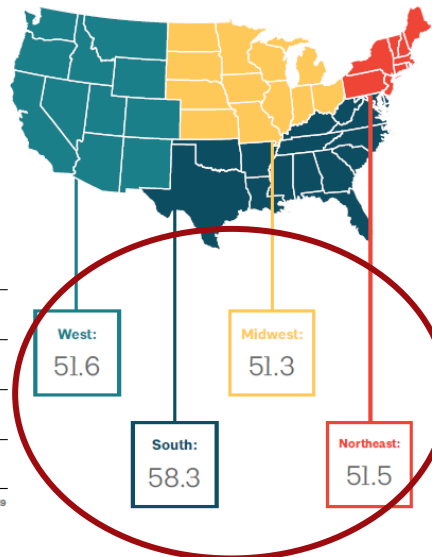
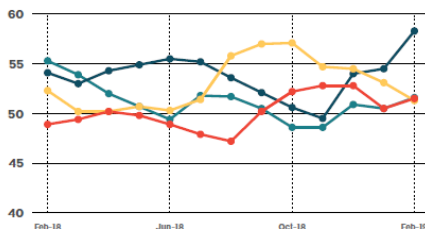
Graphs represent data from February 2018–February 2019.



Regional

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

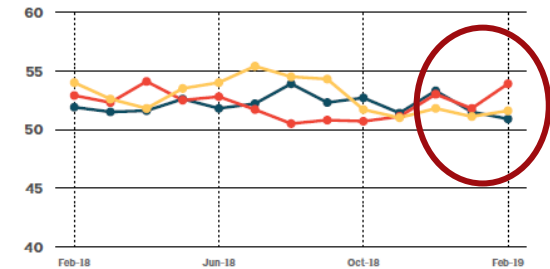
Graphs represent data from February 2018–February 2019 across the four regions. 50 represents the diffusion center. A score of 50 equals no change from the previous month. Above 50 shows increase; Below 50 shows decrease. 3-month moving average.



Sector

Commercial/industrial firms report accelerating growth in February

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



Strong growth continues, but warning signs emerging

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

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

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

Strong growth continues...

PartitionStudio™

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Wall Configurator

CLOSE SAVE / CLOSE

Identity Product Room Faces Track Panels

Panel Options

INDEX + - RESET

<input type="checkbox"/>	Panel	Type	Hinging	Width	
<input type="checkbox"/>	01	LCP	SPL	45.875	lock star info
<input type="checkbox"/>	02	BSC	TPR	45.875	lock star info
<input type="checkbox"/>	03	BSC	SPL	45.875	lock star info
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<input type="checkbox"/>	06	BSC	TPR	48.125	lock star info

WIDTH HEIGHT TRAIL DIM. LEAD DIM

Trail Deducts: 6"

Factoring: 11/16" per Panel

Lead Deducts: 1"

Total Factoring: 3 1/2"

PRODUCT FLOOR PLAN ELEVATION PRICING FEATURES

Viewing: SideB

SIDE 'A' SIDE 'B' FIT TO PAGE

PNL 1 PNL 2 PNL 3 PNL 4 PNL 5 PI

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

Partition Studio (PS5):

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

HX Programming being incorporated

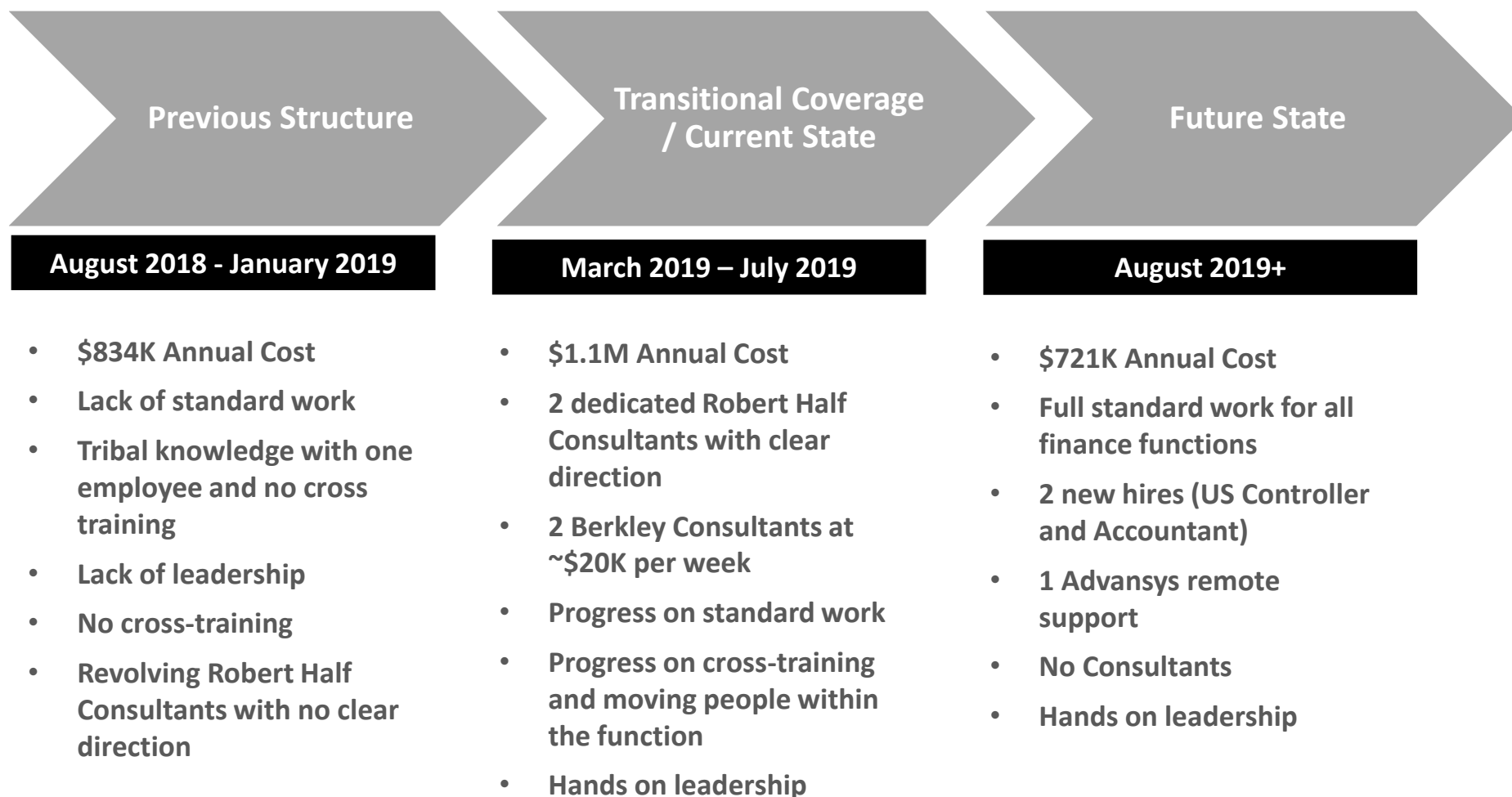
- Working through data and changes with descriptor builder code and freight planning out of Athens
- Materials / Colors / Constructions still being developed

Resources

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

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

Finance Organization Design Summary



\$276K+ Savings in Future State vs Current State...

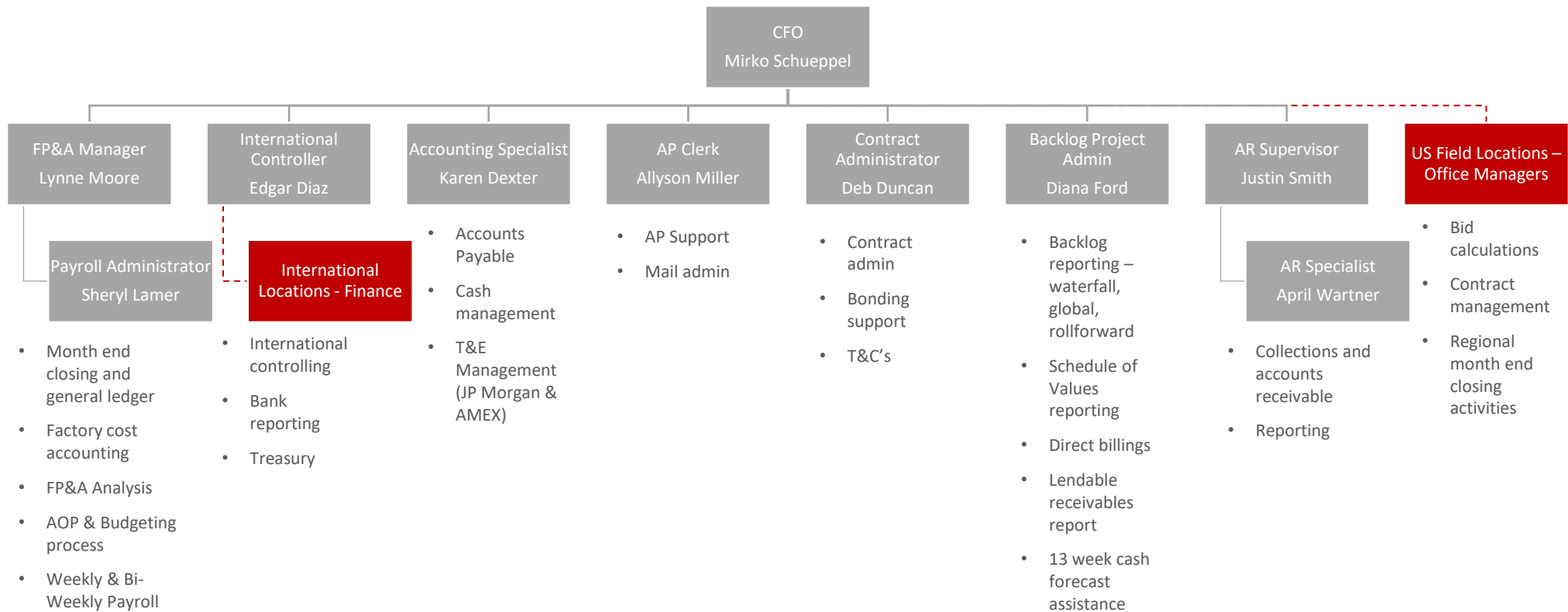
Finance Org Structure Cost Implications – JVL/Corp Office



1/1/2019 Org Structure								
Last Name	First Name	Worker Category	Job Title	Location	Annual Salary	Total Comp	Position Status	Termination Date
Dexter	Karen	Regular	Accounting Specialist	JVL	\$ 45,552.00	\$ 61,495.20	Active	
Diaz	Edgar	Regular	International Controller	JVL	\$ 126,310.86	\$ 170,519.66	Active	
Duncan	Debra	Regular	Contract Administration Manager	JVL	\$ 67,000.18	\$ 90,450.24	Active	
Ford	Diana	Regular	BACKLOG PROJECT ADMINISTRATOR	JVL	\$ 59,740.20	\$ 80,649.27	Terminated	5/24/2019
Lamer	Sheryl	Regular	Payroll Administrator	JVL	\$ 43,243.20	\$ 58,378.32	Active	
Miller	Allyson	Regular	Account Payable Clerk	JVL	\$ 30,721.60	\$ 41,474.16	Active	
Moore	Lynne	Regular	Manager of Financial Planning and Analysis	JVL	\$ 94,999.84	\$ 128,249.78	Terminated	03/06/2019
Schueppel	Mirko	Regular	CFO - VP of Finance	Remote	\$ 274,999.92	\$ 371,249.89	Terminated	04/04/2019
Smith	Justin	Regular	Accounts Receivable Supervisor	JVL	\$ 55,601.52	\$ 75,062.05	Active	
Wartner	April	Regular	AR Collections Specialist	Remote	\$ 36,108.80	\$ 48,746.88	Active	
Total					\$ 834,278.12	\$ 1,126,275.46		
Current State Og Structure								
Last Name	First Name	Worker Category	Job Title	Location	Annual Salary	Total Comp	Position Status	Termination Date
Dexter	Karen	Regular	Accounting Specialist	JVL	\$ 45,552.00	\$ 61,495.20	Active	
Diaz	Edgar	Regular	International Controller	JVL	\$ 126,310.86	\$ 170,519.66	Active	
Duncan	Debra	Regular	Contract Administration Manager	JVL	\$ 67,000.18	\$ 90,450.24	Active	
Ford	Diana	Regular	BACKLOG PROJECT ADMINISTRATOR	JVL	\$ 59,740.20	\$ 80,649.27	Terminated	5/24/2019
Lamer	Sheryl	Regular	Payroll Administrator	JVL	\$ 43,243.20	\$ 58,378.32	Active	
Miller	Allyson	Regular	Account Payable Clerk	JVL	\$ 30,721.60	\$ 41,474.16	Active	
Smith	Justin	Regular	Accounts Receivable Supervisor	JVL	\$ 55,601.52	\$ 75,062.05	Active	
Swain	Lesley	Regular	Sr. Director of Finance	DAL	\$ 155,000.04	\$ 209,250.05	Active	
Wartner	April	Regular	AR Collections Specialist	Remote	\$ 36,108.80	\$ 48,746.88	Active	
Schmidt	Nancy	Temp	Consultant	JVL	\$ 197,600.00	\$ 197,600.00	Active	
Harris	Sherri	Temp	Consultant	JVL	\$ 197,600.00	\$ 197,600.00	Active	
Total					\$ 1,014,478.40	\$ 1,231,225.84		
Future State Org Structure								
Last Name	First Name	Worker Category	Job Title	Location	Annual Salary	Total Comp	Position Status	Termination Date
Dexter	Karen	Regular	Sr. AP Specialist	JVL	\$ 45,552.00	\$ 61,495.20	Active	
Diaz	Edgar	Regular	International Controller	JVL	\$ 126,310.86	\$ 170,519.66	Active	
Lamer	Sheryl	Regular	Payroll Administrator	JVL	\$ 43,243.20	\$ 58,378.32	Active	
Miller	Allyson	Regular	Backlog Administrator	JVL	\$ 40,000.00	\$ 54,000.00	Active	
Smith	Justin	Regular	AR Supervisor	JVL	\$ 55,601.52	\$ 75,062.05	Active	
Swain	Lesley	Regular	Sr. Director of Finance	DAL	\$ 155,000.04	\$ 209,250.05	Active	
Wartner	April	Regular	AR Collections Specialist	Remote	\$ 36,108.80	\$ 48,746.88	Active	
OPEN	POSITION	Part Time Regular	AP Specialist	JVL	\$ 16,640.00	\$ 16,640.00	Open	
OPEN	POSITION	Regular	US Controller	JVL	\$ 120,000.00	\$ 162,000.00	Open	
OPEN	POSITION	Regular	Accountant / FP&A	DAL	\$ 70,000.00	\$ 94,500.00	Open	
AR SPECIALIST	AR SPECIALIST	Advansys Temp	Advansys Temp	Remote	\$ 30,000.00	\$ 30,000.00	Open	
Total					\$ 738,456.42	\$ 980,592.17		

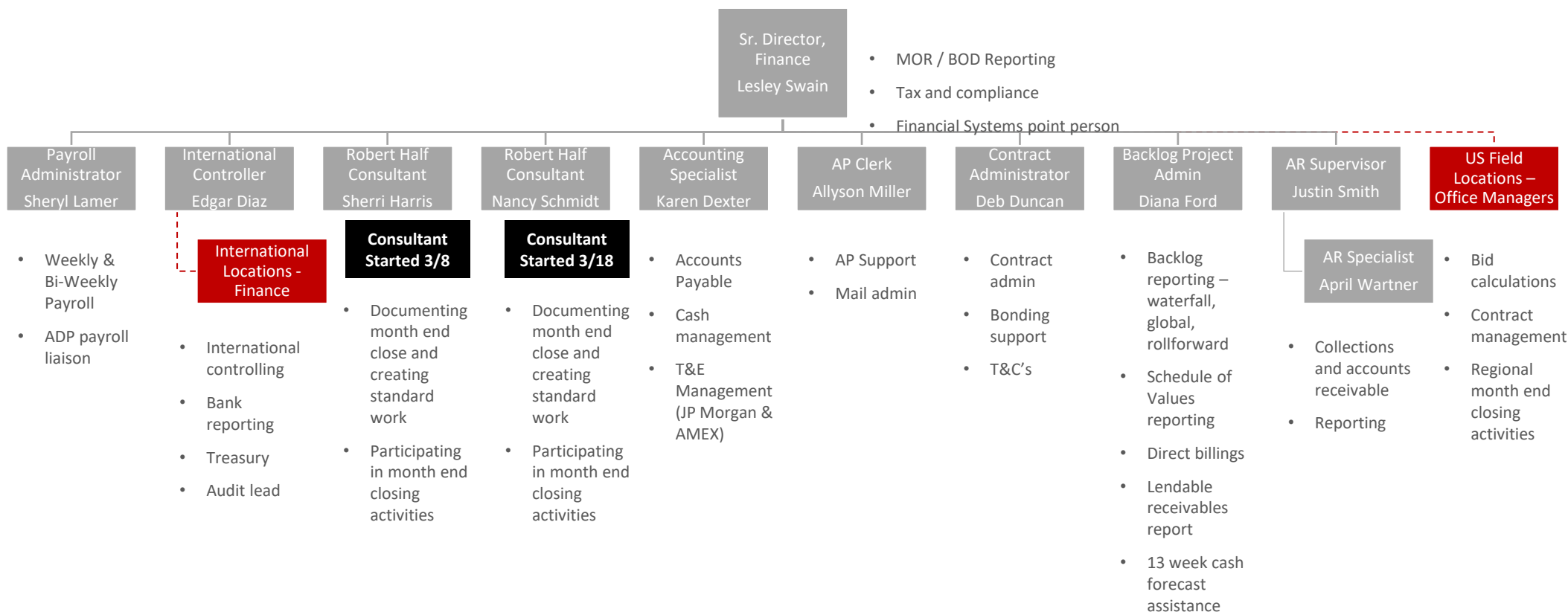
Future State Org. Structure ~100K Less vs. the 1/1/19 Org Structure...

Finance Org Structure – 1/1/2019



One Employee That Did the Majority of the Finance Work...

Finance Org Structure – Current State



Current Focus is on Standard Work & Process Improvement...

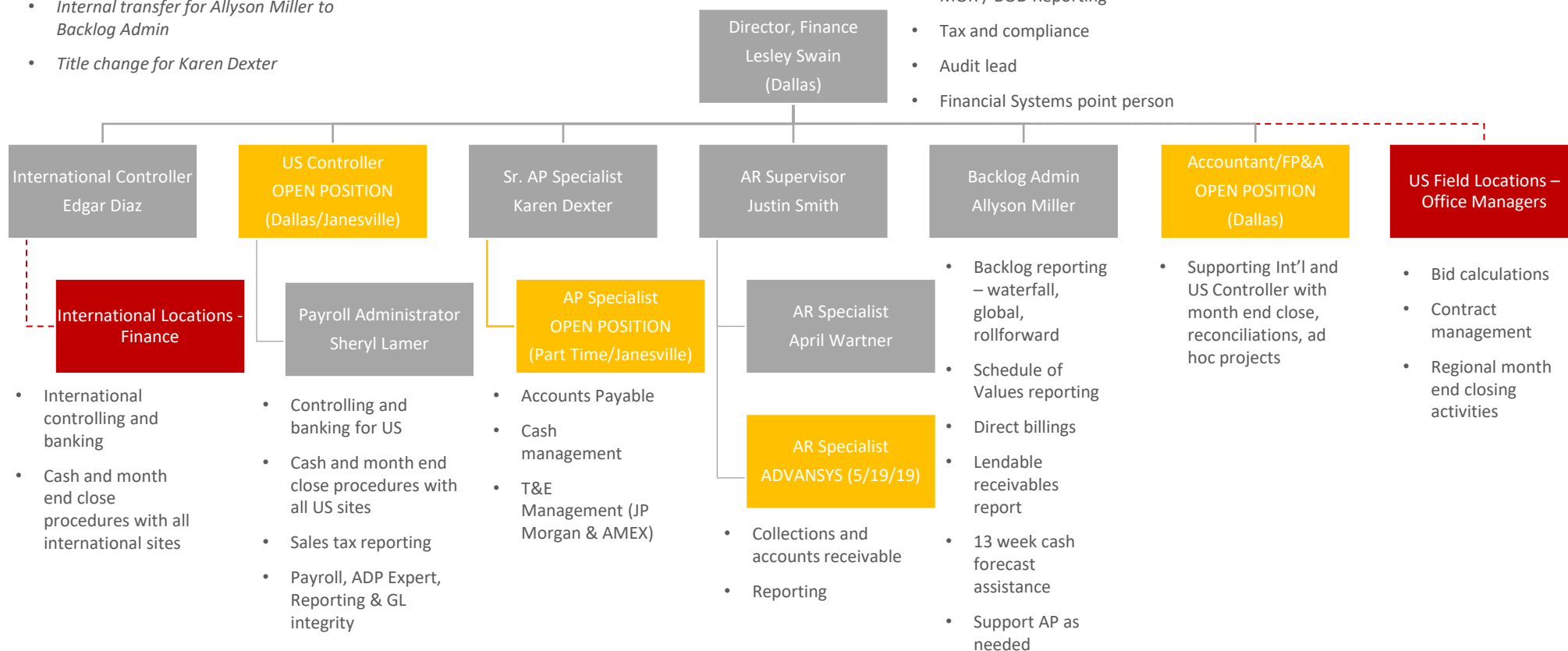
Finance Org Structure – Future State



Org changes include:

- Deb Duncan reporting to Scott Staedter
- Internal transfer for Allyson Miller to Backlog Admin
- Title change for Karen Dexter

- Treasury
- AOP Planning and Reporting
- MOR / BOD Reporting
- Tax and compliance
- Audit lead
- Financial Systems point person



~90 Days to Create and Develop a Top Talent Finance Organization...

Executive Summary

2019 Plan w/ Initiatives Details

Financial Review

Governance Reporting

Appendix:

- Supplemental Financial Information
- Additional Back Up Slides

Consolidated Summary P&L



\$'000	MTD		Variance		PY MTD		Variance		YTD			PY YTD	
	Act	Bud	\$	%	Act	\$	%		Act	Bud	%	Act	%
Gross Revenue	\$ 10,751	\$ 12,954	\$ (2,203)	(17.0%)	\$ 10,099	\$ 653	6.5%		\$ 43,765	\$ 45,648	(4.1%)	\$ 41,252	6.1%
Net Revenue	10,751	12,954	(2,203)	(17.0%)	10,099	653	6.5%		43,765	45,648	(4.1%)	41,252	6.1%
Material	3,056	4,535	(1,479)	(32.6%)	3,206	(150)	(4.7%)		14,131	16,557	(14.7%)	14,698	(3.9%)
Labor	3,255	3,586	(331)	(9.2%)	3,468	(213)	(6.1%)		13,784	13,552	1.7%	13,278	3.8%
Other COGS	981	1,003	(23)	(2.3%)	1,057	(77)	(7.3%)		4,335	3,869	12.0%	4,079	6.3%
Total COGS	7,292	9,124	(1,832)	(20.1%)	7,732	(440)	(5.7%)		32,250	33,979	(5.1%)	32,055	0.6%
Gross Margin	3,459	3,830	(371)	(9.7%)	2,367	1,093	46.2%		11,515	11,670	(1.3%)	9,197	25.2%
<i>Gross Margin %</i>	32.2%	29.6%			23.4%				26.3%	25.6%		22.3%	
R&D	—	—	—	N/A	—	—	N/A		—	—	N/A	—	N/A
Sales & Marketing	1,192	1,267	(75)	(5.9%)	1,327	(135)	(10.2%)		4,477	5,067	(11.6%)	5,137	(12.8%)
Administrative	1,063	995	68	6.8%	1,291	(228)	(17.7%)		4,450	3,980	11.8%	5,278	(15.7%)
Other Opex	(39)	(3)	(36)	1043.8%	6	(46)	(716.8%)		(133)	(14)	866.8%	(72)	85.1%
Total Opex	2,215	2,258	(43)	(1.9%)	2,624	(409)	(15.6%)		8,795	9,033	(2.6%)	10,342	(15.0%)
EBITDA	1,244	1,572	(328)	20.8%	(257)	1,502	583.3%		2,721	2,637	(3.2%)	(1,145)	(337.5%)
<i>EBITDA %</i>	11.6%	12.1%			(2.5%)				6.2%	5.8%		(2.8%)	
Net Income (Loss)	\$ (26)	\$ 469	\$ (495)	105.5%	\$ (1,184)	\$ 1,158	97.8%		\$ (1,515)	\$ (867)	(74.7%)	\$ (4,591)	67.0%
Capex	\$ 250	\$ —	\$ 250		\$ 57	\$ 194			\$ 1,787	\$ —		\$ 495	260.9%

Revenue:

- Revenue \$2.2M lower than AOP and \$1.14M behind March but significantly higher at \$653k over PY MTD 2018.

GM/COGS:

- Overall April GM better by \$1.1M over PY MTD. 32.2 vs 29.6% AOP. Tracking very closely with AOP for the month as well as the YTD with an increasing trend upwards.

OPEX:

- Overall OPEX for April is less than AOP by \$43k – tracking closely month over month..
- Main contributor to the variance to AOP is a reduction in Sales & Marketing expenses.

EBITDA:

- Total EBITDA is at \$1.24M and \$328k ahead of AOP and nearly \$1.5M ahead of PY.

Covenant Analysis



[AOP SLIDE]: Covenant Analysis- JPMC and LBC Credit Partners				
	Jan-19	Feb-19	Mar-19	Apr-19
\$'000	Actual	Actual	Actual	Actual
Fixed Charge Coverage Ratio (JP Morgan Chase- Monthly and LBC Credit Partners- Quarterly)				
Net Income (Loss)	\$ (961)	\$ (647)	\$ 119	\$ (26)
Bank EBITDA Calculation:				
Interest and amortization	344	347	358	349
Taxes	(7)	43	19	36
Depreciation and amortization	494	495	495	569
Monitoring fees (including expenses)	250	18	-	250
Gain/loss on disposition of assets	-	-	-	-
FX gain/loss	(6)	16	48	2
Non-recurring items:				
Australian facility certification < \$400k in aggregate	-	-	-	-
Pension Buyout (not to exceed \$500K)	-	-	-	-
One-Time Costs (not to exceed \$2.4M)	-	-	-	-
Inventory write-offs < \$320k in total	-	-	-	-
A/R write-offs < \$1.3mm in total	64	127	98	78
Warranty claim payments: Mystic Lake < 400k	-	-	-	-
Warranty claim payments: Non- Mystic Lake < 625k	-	-	-	-
Total non-recurring items	64	127	98	78
Bank EBITDA	\$ 178	\$ 399	\$ 1,189	\$ 1,321
Less:				
Unfinanced CAPEX	245	117	175	250
Cash income and franchise taxes	(7)	43	19	36
Restricted Payments paid in cash	-	-	-	-
Cash Monitoring fees (including expenses)	-	-	-	-
Numerator	\$ (60)	\$ 239	\$ 994	\$ 1,035
Fixed Charges:				
Cash Interest	300	301	311	349
Regularly scheduled principal payments	209	-	-	209
Capital Lease payments	3	3	3	-
Total Fixed Charges	\$ 512	\$ 304	\$ 314	\$ 558
TTM Numerator	4,390	5,329	6,086	7,604
TTM Fixed Charges	4,410	4,464	4,480	4,565
Fixed Charge Covenant Ratio	1.00	1.19	1.36	1.67
Required			1.00 x	
Leverage Ratio (LBC Credit Partners- Quarterly)				
Total Debt for Leverage Calculation	\$ 42,975	\$ 43,739	\$ 41,814	\$ 41,771
TTM Bank EBITDA	\$ 7,009	\$ 7,986	\$ 8,871	\$ 10,417
Leverage Ratio	6.13	5.48	4.71	4.01
Required			*NR	

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

P&L by Location - Domestic



	Janesville	RVTC	Chicago	Indiana	Minnesota	Potomac	Southeast	Southwest	Texas	Total Domestic
Gross Revenue	5,451,426	256,131	935,724	92,173	329,216	260,297	1,037,669	1,257,632	589,049	7,065,347
Net Revenue	5,451,426	256,131	935,724	92,173	329,216	260,297	1,037,669	1,257,632	589,049	7,065,347
Material	2,088,005	0	632,351	49,141	172,589	143,209	488,515	792,230	338,077	1,698,611
Labor	958,683	36,539	96,807	28,792	116,367	46,055	191,233	369,230	192,303	2,036,009
Other COGS	304,504	219,748	11,915	554	3,174	8,561	74,350	15,277	47,530	685,613
Total COGS	3,351,192	256,287	741,073	78,487	292,130	197,825	754,098	1,176,737	577,910	4,420,233
Gross Margin	2,100,234	-156	194,651	13,686	37,086	62,472	283,571	80,895	11,139	2,645,114
<i>Gross Margin %</i>	38.53%	-0.06%	20.80%	14.85%	11.26%	24.00%	27.33%	6.43%	1.89%	37.44%
R&D	0	0	0	0	0	0	0	0	0	0
Sales & marketing	250,135	0	87,902	12,286	40,202	47,910	168,015	109,261	89,960	805,671
Administrative	481,177	9,255	26,769	-2,004	12,756	16,788	65,692	54,232	38,939	703,604
<i>Other Opex</i>	-15,529	0	0	0	0	0	0	0	-21	-15,550
Total OPEX (excl D&A)	715,783	9,255	114,671	10,282	52,958	64,698	233,707	163,493	128,878	1,493,725
EBITDA	1,384,451	-9,411	79,980	3,404	-15,872	-2,226	49,864	-82,598	-117,739	1,151,389
<i>EBITDA Margin %</i>	25.40%	-3.67%	8.55%	3.69%	-4.82%	-0.86%	4.81%	-6.57%	-19.99%	16.30%

P&L by Location – International & Consolidated



HK/Macau	China/Shanghai	Malaysia/Singapore	Australia Consol	Europe	Total Int'l	CONSOLIDATED
484,486	358,916	188,621	1,642,016	1,146,853	3,685,803	10,751,150
484,486	358,916	188,621	1,642,016	1,146,853	3,685,803	10,751,150
127,851	119,456	72,604	613,090	559,178	1,357,365	3,055,976
189,743	158,879	51,122	464,812	345,819	1,210,375	3,246,384
46,922	41,653	11,266	152,594	42,532	294,967	980,580
364,516	319,988	134,992	1,230,496	947,529	2,862,707	7,282,940
119,970	38,928	53,629	411,520	199,324	823,096	3,468,210
24.76%	10.85%	28.43%	25.06%	17.38%	22.33%	32.26%
0	0	0	0	0	0	0
49,148	20,082	24,753	194,182	98,034	386,199	1,191,870
64,206	41,345	46,220	154,743	52,547	359,061	1,062,665
-13,697	293	-2,537	-2,285	-5,627	-23,853	-39,403
99,657	61,720	68,436	346,640	144,954	721,407	2,215,132
20,313	-22,792	-14,807	64,880	54,370	101,689	1,253,078
4.19%	-6.35%	-7.85%	3.95%	4.74%	2.76%	11.66%

Balance Sheet



\$'000	Dec-18	Feb-19	Mar-19	Apr-19		Variance	
	Act	Act	Act	Act	Bud	\$	%
Current Assets							
Cash and cash equivalents	\$ 2,668	\$ 2,754	\$ 1,577	\$ 1,521	\$ 3,500	\$ (1,979)	(56.6%)
Short term investments	—	—	—	—	—	—	N/A
Accounts receivable, gross	36,879	36,910	34,436	33,243	32,386	858	2.6%
Accounts receivable, reserves	(1,407)	(1,545)	(1,629)	(1,679)	—	(1,679)	N/A
Accounts receivable, net	35,472	35,365	32,807	31,564	32,386	(822)	(2.5%)
Inventory, gross	13,393	15,308	15,388	16,303	13,686	2,617	19.1%
Inventory, reserves	(298)	(253)	(264)	(274)	—	(274)	N/A
Inventory, net	13,095	15,055	15,124	16,028	13,686	2,342	17.1%
Prepaid expenses and other current assets	1,666	1,728	1,591	1,529	2,238	(710)	(31.7%)
Current portion of deferred taxes	5,559	5,579	5,583	5,568	5,797	(229)	(4.0%)
Other current assets	261	331	222	318	—	318	N/A
Total Current Assets	58,721	60,813	56,904	56,528	57,607	(1,079)	(1.9%)
Non-Current Assets							
Property, plant & equipment, gross	36,262	37,895	38,006	38,147	37,878	269	0.7%
Accumulated depreciation	(22,835)	(23,208)	(23,334)	(23,515)	(22,835)	(680)	3.0%
Property, plant & equipment, net	13,427	14,687	14,673	14,632	15,043	(411)	(2.7%)
Identifiable intangible assets, gross	15,231	15,236	15,238	15,233	8,348	6,885	82.5%
Accumulated amortization	(5,523)	(6,215)	(6,561)	(6,906)	—	(6,906)	N/A
Identifiable intangible assets, net	9,707	9,022	8,677	8,327	8,348	(21)	(0.2%)
Deferred financing cost	1,950	1,955	1,908	1,862	1,903	(41)	(2.2%)
Other non-current assets	3,719	2,705	2,703	2,697	2,696	1	0.0%
Total Non-Current Assets	28,804	28,368	27,961	27,518	27,990	(472)	(1.7%)
Total Assets	\$ 87,524	\$ 89,181	\$ 84,864	\$ 84,046	\$ 85,597	\$ (1,551)	(1.8%)
Current Liabilities							
Current portion of long-term debt	\$ 835	\$ 835	\$ 835	\$ 835	\$ 835	\$ —	0.0%
Line of Credit	7,832	11,382	9,458	9,623	8,329	1,295	15.5%
Accounts payable	13,527	12,453	10,618	15,884	9,124	6,760	74.1%
Accrued liabilities	6,224	6,682	6,363	962	7,787	(6,825)	(87.6%)
Accrued compensation	2,121	1,551	1,662	1,461	—	1,461	N/A
Income taxes payable	129	113	129	146	260	(114)	(43.8%)
Other current liabilities	2,721	2,911	2,895	2,905	2,011	894	44.4%
Total Current Liabilities	33,389	36,789	32,416	31,895	28,346	3,549	12.5%
Long-term liabilities							
Long-term debt less current maturities	31,730	31,521	31,521	31,313	31,313	(1)	(0.0%)
Deferred income taxes	46	68	96	95	45	50	113.0%
Other non-current liabilities	46	47	(111)	46	49	(3)	(5.6%)
Total Long-Term Liabilities	31,822	31,636	31,507	31,454	31,407	47	0.1%
Total Liabilities	65,211	68,425	63,923	63,349	59,752	3,596	6.0%
Shareholders' Equity							
Common stock	—	—	—	—	—	—	N/A
Capital in excess of stated value	36,350	36,350	36,350	36,350	36,350	—	0.0%
Retained earnings	(14,038)	(15,646)	(15,377)	(15,544)	(11,315)	(4,229)	37.4%
Accumulated other comprehensive income	47	512	521	518	47	471	1003.5%
Other equity transactions	(46)	(460)	(553)	(627)	763	(1,390)	(182.2%)
Total Shareholders' Equity	22,313	20,756	20,942	20,697	25,845	(5,148)	(19.9%)
Total Liabilities and Shareholders' Equity	\$ 87,524	\$ 89,181	\$ 84,864	\$ 84,046	\$ 85,597	\$ (1,551)	(1.8%)

Management Discussion

March

A/R, Net:

- A/R balance decreased \$1.2M due to strong collections in the US continuing the positive collections trend

Inventory:

- Inventory increased MOM due to large projects in process at JVL

AP:

- Increase primarily due to intercompany true-ups and reconciliations

Total Debt:

- New covenant agreement for April for JPM and LBC
- Limited usage of LOC during the month

OPEX Summary



\$'000

	MTD		Variance		PY MTD		Variance		YTD			PY YTD	
	Act	Bud	\$	%	Act	\$	%		Act	Bud	%	Act	%
Opex Overview:													
Payroll	\$ 863	\$ 1,194	\$ (331)	(27.7%)	\$ 1,241	\$ (378)	(30.4%)		\$ 3,947	\$ 4,776	(17.4%)	\$ 4,949	(20.2%)
Benefits	247	250	(3)	(1.4%)	295	(48)	(16.2%)		928	1,001	(7.4%)	1,162	(20.2%)
Bonus	139	112	27	24.1%	112	27	23.9%		424	447	(5.2%)	545	(22.1%)
Marketing	56	28	28	100.4%	56	(1)	(1.0%)		112	111	0.6%	233	(51.8%)
Commissions	174	191	(17)	(8.7%)	149	26	17.4%		654	764	(14.4%)	573	14.3%
Travel and Entertainment	120	87	34	39.1%	110	11	9.8%		368	346	6.2%	447	(17.8%)
Rent and Facilities	75	65	11	16.3%	67	9	13.0%		280	260	7.9%	262	6.9%
Insurance	35	32	4	11.8%	37	(1)	(3.8%)		149	127	17.4%	129	15.4%
Professional Fees	100	69	31	45.0%	99	1	1.2%		364	277	31.7%	420	(13.3%)
Utl., Repair, Maint., & Sec.	38	34	4	10.7%	40	(2)	(4.8%)		142	138	3.2%	150	(5.3%)
Office Expenses	8	6	2	40.7%	10	(2)	(16.7%)		22	24	(5.2%)	27	(17.4%)
IT	91	48	44	92.0%	53	38	70.7%		262	190	38.0%	219	19.6%
Bad Debts	78	12	66	553.5%	43	35	82.1%		368	48	671.1%	153	140.2%
Supplies	17	18	(1)	(2.9%)	22	(5)	(24.0%)		69	70	(0.9%)	101	(31.2%)
FX	—	—	—	N/A	33	(33)	(100.0%)		—	—	N/A	49	(100.0%)
Other Expenses	172	114	58	51.1%	257	(86)	(33.3%)		705	454	55.1%	924	(23.8%)
Total Opex	\$ 2,215	\$ 2,258	\$ (43)	(1.9%)	\$ 2,624	\$ (409)	(15.6%)		\$ 8,795	\$ 9,033	(2.6%)	\$ 10,342	(15.0%)

Management Discussion

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

Start of the Year in Line with Expectations...

Cash Flow Statement



	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	FY	FY	Variance		PY	Variance	
\$'000	Act	Act	Act	Act	Act	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	\$	%	Act	\$	%
Cash flow from operations																			
Net income (Loss)	\$ (961)	\$ (647)	\$ 119	\$ (26)	\$ 469	\$ 731	\$ 467	\$ 474	\$ 484	\$ (137)	\$ (143)	\$ (140)	\$ 691	\$ 1,339	\$ (647)	(48.4%)	\$ (7,771)	\$ 8,462	(108.9%)
Depreciation, amortization and other	494	495	495	569	577	577	577	577	577	577	577	577	6,669	6,924	(255)	(3.7%)	6,032	638	10.6%
Capitalized fees & expenses	44	(49)	47	47	32	32	32	32	32	32	32	32	341	379	(38)	(10.1%)	457	(116)	(25.3%)
Gain (loss) on sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	14	(14)	(100.0%)
Non-cash interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Non-cash dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Deferred income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Change in operating assets and liabilities:																	\$ -		
Accounts receivable	1,774	(1,737)	2,667	1,147	(209)	(1,518)	(153)	(418)	(293)	525	(785)	785	1,785	(2,171)	3,956	(182.2%)	(1,266)	3,051	(241.0%)
Inventory	(1,216)	(745)	(69)	(905)	441	84	(84)	294	(128)	1,109	(136)	136	(1,217)	(337)	(880)	261.5%	(1,112)	(105)	9.4%
Prepaid expenses and other current assets	(123)	119	140	27	117	588	(126)	(239)	(365)	859	(137)	(54)	806	250	556	221.9%	246	560	228.1%
Accounts payable	(1,213)	322	(1,920)	5,242	(294)	(56)	350	294	(294)	(211)	297	(297)	2,221	534	1,687	316.1%	3,670	(1,449)	(39.5%)
Accrued expenses	(806)	1,596	(550)	(5,936)	159	(1,655)	295	733	2,463	(4,901)	734	133	(7,735)	(152)	(7,583)	4977.4%	(832)	(6,904)	830.3%
Accrued income taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Other changes in operating assets and liabilities	(142)	9	14	55	-	-	-	-	-	-	-	-	(65)	-	(65)	N/A	139	(204)	(146.5%)
Other cash flow from operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Total Cash Flow from Operations	\$ (2,149)	\$ (637)	\$ 943	\$ 220	\$ 1,291	\$ (1,218)	\$ 1,358	\$ 1,748	\$ 2,477	\$ (2,148)	\$ 439	\$ 1,172	\$ 3,496	\$ 6,766	\$ (3,270)	(48.3%)	\$ (424)	\$ 3,920	(924.5%)
Cash flow from investing																			
Additions to property, plant and equipment	\$ (245)	\$ (186)	\$ (111)	\$ (141)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (683)	\$ -	\$ (683)	N/A	\$ (2,279)	\$ 1,595	(70.0%)
Acquisitions of companies, net of cash acquired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Investment in intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Earnout payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Other cash flow from investing (goodwill)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Total Cash Flow from Investing	\$ (245)	\$ (186)	\$ (111)	\$ (141)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (683)	\$ -	\$ (683)	N/A	\$ (2,279)	\$ 1,595	(70.0%)
Cash flow from financing																			
Proceeds from the issuance (repayment) of ST	\$ 2,786	\$ 764	\$ (1,925)	\$ 166	\$ (1,052)	\$ 1,458	\$ (910)	\$ (1,508)	\$ (2,237)	\$ 2,596	\$ (200)	\$ (932)	\$ (994)	\$ (2,758)	\$ 1,764	(64.0%)	\$ 1,758	\$ (2,752)	(156.5%)
Proceeds from the issuance of debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Repayment of debt	(209)	-	-	(209)	-	-	(209)	-	-	(209)	-	-	(836)	(836)	1	(0.1%)	(753)	(83)	11.0%
Capital lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Common stock issued (repurchased)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Common stock cash dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Preferred stock issued (repurchased)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Other cash flow from financing costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	(0)	0	(100.0%)
Total Cash Flow from Financing	\$ 2,577	\$ 764	\$ (1,925)	\$ (43)	\$ (1,052)	\$ 1,458	\$ (1,119)	\$ (1,508)	\$ (2,237)	\$ 2,387	\$ (200)	\$ (932)	\$ (1,829)	\$ (3,594)	\$ 1,765	(49.1%)	\$ 1,005	\$ (2,834)	(281.9%)
Effect of FX rates on cash and cash equivalents	\$ 80	\$ (117)	\$ (85)	\$ (93)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (240)	\$ (2,135)	\$ (1,773)	\$ (362)	20.4%	\$ 30	\$ (2,165)	(7257.2%)
Net change in cash	\$ 262	\$ (176)	\$ (1,177)	\$ (56)	\$ (1)	\$ (0)	\$ (1)	\$ (0)	\$ 0	\$ (1)	\$ (1)	\$ (1)	\$ (1,151)	\$ 1,399	\$ (2,550)	(182.2%)	\$ (1,667)	\$ 517	(31.0%)
Beginning cash	2,668	2,930	2,754	1,577	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	2,668	2,668	-	-	4,335	(1,667)	(38.5%)
Change in cash	262	(176)	(1,177)	(56)	(1)	(0)	(1)	(0)	0	(1)	(1)	(1)	(1,151)	1,399	(2,550)	(182.2%)	(1,667)	517	(31.0%)
Ending cash	\$ 2,930	\$ 2,754	\$ 1,577	\$ 1,520	\$ 3,499	\$ 3,500	\$ 3,499	\$ 3,500	\$ 3,500	\$ 3,499	\$ 3,499	\$ 3,499	\$ 3,499	\$ 3,499	\$ -	-	\$ 2,667	\$ 832	31.2%

13 Week Cash Forecast



\$ 000's

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

Monthly P&L



\$'000	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	FY	FY	Var		PY	Var	
	Act	Act	Act	Act	Act	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	\$	%	Act	\$	%
Units Produced	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Units Shipped	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Bookings (\$'000)	\$ 15,194	\$ 1,234	\$ 1,233	\$ 9,966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,626	\$ -	\$ 27,626	N/A	\$ 159,311	\$ (131,685)	(82.7%)
Backlog (\$'000)	\$ 98,078	\$ 100,415	\$ 100,719	\$ 103,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	\$ 95,182	\$ (95,182)	(100.0%)
Gross Revenue	\$ 10,051	\$ 11,098	\$ 11,865	\$ 10,751	\$ 12,954	\$ 12,954	\$ 12,954	\$ 12,954	\$ 12,954	\$ 10,898	\$ 10,898	\$ 10,898	\$ 141,230	\$ 143,114	\$ (1,884)	(1.3%)	\$ 137,796	\$ 3,434	2.5%
Net Revenue	10,051	11,098	11,865	10,751	12,954	12,954	12,954	12,954	12,954	10,898	10,898	10,898	141,230	143,114	(1,884)	(1.3%)	137,796	3,434	2.5%
Material	3,191	4,159	3,724	3,056	4,535	4,185	4,535	4,535	4,535	3,617	3,617	3,617	47,307	49,734	(2,426)	(4.9%)	48,075	(768)	(1.6%)
Labor	3,460	3,335	3,733	3,255	3,586	3,586	3,586	3,586	3,586	3,322	3,322	3,322	41,680	41,449	231	0.6%	42,598	(918)	(2.2%)
Other COGS	1,119	1,118	1,118	981	1,003	1,003	1,003	1,003	1,003	955	955	955	12,218	11,752	466	4.0%	13,102	(884)	(6.7%)
Total COGS	7,770	8,612	8,576	7,292	9,124	8,774	9,124	9,124	9,124	7,895	7,895	7,895	101,205	102,934	(1,729)	(1.7%)	103,776	(2,570)	(2.5%)
Gross Margin	2,281	2,486	3,289	3,459	3,830	4,180	3,830	3,830	3,830	3,003	3,003	3,003	40,025	40,180	(155)	(0.4%)	34,020	6,005	17.7%
Gross Margin %	22.7%	22.4%	27.7%	32.2%	29.6%	32.3%	29.6%	29.6%	29.6%	27.6%	27.6%	27.6%	28.3%	28.1%			24.7%		
R&D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	-	-	N/A
Sales & Marketing	1,068	1,085	1,132	1,192	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	14,611	15,201	(590)	(3.9%)	14,603	8	0.1%
Administrative	1,115	1,136	1,136	1,063	995	995	995	995	995	995	995	995	12,410	11,939	471	3.9%	12,941	(531)	(4.1%)
Other Opex	(16)	(7)	(71)	(39)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(161)	(41)	(119)	288.9%	(322)	161	(50.0%)
Total Opex	2,167	2,215	2,198	2,215	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	26,861	27,099	(239)	(0.9%)	27,223	(362)	(1.3%)
EBITDA	114	272	1,091	1,244	1,572	1,922	1,572	1,572	1,572	745	745	745	13,165	13,081	84	0.6%	6,797	6,367	93.7%
EBITDA %	1.1%	2.4%	9.2%	11.6%	12.1%	14.8%	12.1%	12.1%	12.1%	6.8%	6.8%	6.8%	9.3%	9.1%			4.9%		
Net Income (Loss)	\$ (961)	\$ (647)	\$ 119	\$ (26)	\$ 469	\$ 731	\$ 467	\$ 474	\$ 484	\$ (137)	\$ (143)	\$ (140)	\$ 691	\$ 1,339	\$ (647)	(48.4%)	\$ (7,771)	\$ 8,462	(108.9%)
Capex	\$ 245	\$ 1,277	\$ 15	\$ 250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,787	\$ -	\$ 1,787	N/A	\$ 2,279	\$ (491)	(21.6%)

Monthly EBITDA & Net Income (Loss) Bridge



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var		PY	Var	
	Act	Act	Act	Act	Act	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	\$	%	Act	\$	%
\$'000																			
EBITDA - as reported	\$ 114	\$ 272	\$ 1,091	\$ 1,244	\$ 1,572	\$ 1,922	\$ 1,572	\$ 1,572	\$ 1,572	\$ 745	\$ 745	\$ 745	\$13,431	\$13,081	\$ 351	2.7%	\$ 6,797	\$ 6,634	97.6%
Depreciation and amortization	(494)	(495)	(495)	(569)	(577)	(577)	(577)	(577)	(577)	(577)	(577)	(577)	(6,759)	(6,924)	165	(2.4%)	(6,032)	(727)	12.1%
Interest and amortization	(344)	(347)	(358)	(349)	(273)	(274)	(275)	(266)	(254)	(254)	(262)	(258)	(3,354)	(3,216)	(138)	4.3%	(3,962)	607	(15.3%)
Other financial income/expense	6	(16)	(48)	(2)	–	–	–	–	–	–	–	–	(10)	–	(10)	N/A	(216)	207	(95.6%)
Non-financial income/expense	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Monitoring fees (including expenses)	(250)	(18)	–	(250)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(96)	(1,228)	(1,152)	(76)	6.6%	(1,100)	(127)	11.6%
Restructuring costs	–	–	–	(63)	–	–	–	–	–	–	–	–	–	–	–	N/A	(1,387)	1,387	(100.0%)
Non-recurring items	–	–	(51)	–	–	–	–	–	–	–	–	–	–	–	–	N/A	(1,403)	1,403	(100.0%)
Taxes	7	(43)	(19)	(36)	(157)	(244)	(156)	(158)	(161)	45	47	46	(866)	(450)	(416)	92.5%	(469)	(397)	84.8%
GAAP Net Income (Loss)	\$ (961)	\$ (647)	\$ 119	\$ (26)	\$ 469	\$ 731	\$ 467	\$ 474	\$ 484	\$ (137)	\$ (143)	\$ (140)	\$ 1,215	\$ 1,339	\$ (124)	(9.3%)	\$ (7,771)	\$ 8,986	(115.6%)

Monthly Cost of Goods Sold



\$'000	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var		PY	Var	
	Act	Act	Act	Act	Act	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	Bud	\$	%	Act	\$	%
Material																			
Material costs at standard	\$ 3,159	\$ 4,033	\$ 3,686	\$ 4,149	\$ 4,149	\$ 4,149	\$ 4,149	\$ 4,149	\$ 4,149	\$ 3,510	\$ 3,510	\$ 3,510	\$ 46,301	\$ 45,473	\$ 829	1.8%	\$ 46,555	\$ (254)	(0.5%)
Materials FX loss / (gain)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Purchase price variance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Freight in	33	126	39	386	386	36	386	386	386	108	108	108	2,485	4,261	(1,776)	(41.7%)	1,520	965	63.5%
Cost revision	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Scrap costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Consumables	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Total Material COGS	\$ 3,191	\$ 4,159	\$ 3,724	\$ 4,535	\$ 4,535	\$ 4,185	\$ 4,535	\$ 4,535	\$ 4,535	\$ 3,617	\$ 3,617	\$ 3,617	\$ 48,786	\$ 49,734	\$ (948)	(1.9%)	\$ 48,075	\$ 711	1.5%
Labor																			
Direct labor	\$ 1,087	\$ 1,028	\$ 1,197	\$ 1,106	\$ 1,106	\$ 1,106	\$ 1,106	\$ 1,106	\$ 1,106	\$ 930	\$ 930	\$ 930	\$ 12,737	\$ 12,215	\$ 522	4.3%	\$ 12,047	\$ 690	5.7%
Direct labor - bonus	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Direct labor - overtime	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Direct labor - benefits	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Direct labor - overtime	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Direct labor - other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Indirect labor	734	672	754	735	735	735	735	735	735	719	719	719	8,725	8,723	2	0.0%	8,888	(163)	(1.8%)
Indirect labor - bonus	9	9	7	2	2	2	2	2	2	2	2	2	40	20	20	96.7%	37	3	7.7%
Indirect labor - overtime	59	32	42	43	43	43	43	43	43	36	36	36	500	475	25	5.3%	568	(69)	(12.1%)
Indirect labor - benefits	599	587	611	605	605	605	605	605	605	576	576	576	7,155	7,086	69	1.0%	6,893	262	3.8%
Indirect labor - other	143	103	123	(56)	(56)	(56)	(56)	(56)	(56)	38	38	38	147	(107)	254	#####	1,289	(1,141)	(88.6%)
Sub-contractor costs	829	904	1,000	1,152	1,152	1,152	1,152	1,152	1,152	1,021	1,021	1,021	12,707	13,036	(329)	(2.5%)	12,876	(169)	(1.3%)
Total Labor COGS	\$ 3,460	\$ 3,335	\$ 3,733	\$ 3,586	\$ 3,586	\$ 3,586	\$ 3,586	\$ 3,586	\$ 3,586	\$ 3,322	\$ 3,322	\$ 3,322	\$ 42,011	\$ 41,449	\$ 562	1.4%	\$ 42,598	\$ (588)	(1.4%)
Other																			
Repairs and maintenance	\$ 40	\$ 49	\$ 35	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 35	\$ 35	\$ 35	\$ 479	\$ 461	\$ 18	3.9%	\$ 474	\$ 5	1.1%
Absorption	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Freight out	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Rent / facilities	140	145	142	122	122	122	122	122	122	122	122	122	1,524	1,463	61	4.2%	1,501	23	1.5%
Utilities	54	74	34	38	38	38	38	38	38	32	32	32	489	423	66	15.6%	521	(32)	(6.2%)
Other cost of sales	884	850	908	801	801	801	801	801	801	766	766	766	9,749	9,405	344	3.7%	10,606	(857)	(8.1%)
Total Other COGS	\$ 1,119	\$ 1,118	\$ 1,118	\$ 1,003	\$ 1,003	\$ 1,003	\$ 1,003	\$ 1,003	\$ 1,003	\$ 955	\$ 955	\$ 955	\$ 12,241	\$ 11,752	\$ 489	4.2%	\$ 13,102	\$ (862)	(6.6%)
Total COGS	\$ 7,770	\$ 8,612	\$ 8,576	\$ 9,124	\$ 9,124	\$ 8,774	\$ 9,124	\$ 9,124	\$ 9,124	\$ 7,895	\$ 7,895	\$ 7,895	\$ 103,037	\$ 102,934	\$ 103	3.6%	\$ 103,776	\$ (738)	(6.5%)

AR & AP Aging Detail



\$'000

AR Aging						
Days	Dec-18	%	Feb-19	Mar-19	Apr-19	%
0-30	\$ 16,376	44.4%	\$17,585	\$17,475	\$14,999	46.3%
30-60	5,342	14.5%	4,976	3,758	5,031	15.5%
60-90	3,176	8.6%	3,503	2,898	3,061	9.5%
>90	11,985	32.5%	11,201	10,305	9,294	28.7%
Total Gross AR	\$ 36,879	100.0%	\$37,264	\$34,436	\$32,386	100.0%
Reserves	(1,407)		(1,545)	(1,629)	(1,679)	
Total Net AR	\$ 35,472		\$35,719	\$32,807	\$30,706	
Change in AR Reserve			(90)	(84)	(51)	
Actual Bad Debt P&L Charge			127	98	78	
LTM Bad Debt P&L Charge			\$ 520	\$ 555	\$ 528	

Retainage						
Days	Dec-18	%	Feb-19	Mar-19	Apr-19	%
0-30	\$ 1,182	3.2%	\$ 1,197	\$ 1,182	\$ 910	2.8%
% of AR	7.2%		6.8%	6.8%	6.1%	
30-60	325	0.9%	318	325	642	2.0%
% of AR	6.1%		6.4%	8.7%	12.8%	
60-90	337	0.9%	522	337	347	1.1%
% of AR	10.6%		14.9%	11.6%	11.3%	
>90	3,037	8.2%	3,717	3,037	3,259	10.1%
% of AR	25.3%		33.2%	29.5%	35.1%	
Total Retainage	\$ 4,881	13.2%	\$ 5,754	\$ 4,881	\$ 5,158	15.9%
% of AR	13.2%		15.4%	14.2%	15.9%	

AP Aging					
Days	Dec-18	Feb-19	Mar-19	Apr-19	%
0-30	\$10,682	\$ 9,187	\$ 7,577	\$ 7,206	79.0%
30-60	1,234	730	1,011	832	9.1%
60-90	343	643	477	231	2.5%
>90	1,268	1,475	1,705	855	9.4%
Total	\$13,526	\$12,035	\$10,771	\$ 9,124	100.0%

Accrued Liabilities – Current (Excluding Debt)



\$'000

Accrued Liabilities - Current (Excluding Debt)					
Account Name	Jan-19	Feb-19	Mar-19	Apr-19	%
Accrued Compensation	\$ 2,088	\$ 2,121	\$ 1,508	\$ 1,551	12.6%
Income Taxes Payable	298	129	83	113	0.9%
Customer Deposits	540	545	817	724	5.9%
Accrued Bonuses	103	307	487	679	5.5%
Accrued Insurance	1,064	800	1,034	1,271	10.3%
Accrued Commission	319	330	265	224	1.8%
Accrued Interest	512	799	260	510	4.1%
Accrued Professional Fees	359	278	202	312	2.5%
Accrued Supplier Invoices	346	302	163	195	1.6%
Transaction Cost Accrual	-	-	-	-	-
Accrued Other Non-Income Taxes	1,123	1,005	1,039	1,141	9.3%
Curr Portion Emp Retirement Plans	1,143	1,039	995	989	8.1%
Accrued Warranty	845	1,549	1,572	1,605	13.1%
All Other	2,163	1,992	1,930	2,965	24.1%
Total Accrued Liabilities	\$ 10,904	\$ 11,195	\$ 10,354	\$ 12,278	100.0%
				\$ 1,924	15.7%

Executive Summary

2019 Plan w/ Initiatives Details

Financial Review

Governance Reporting

Appendix:

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

Red flags:

- Issues with accuracy and timeliness of month end process

Ongoing Governance Activities:

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

Action:

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

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

Executive Summary

2019 Plan w/ Initiatives Details

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Appendix:

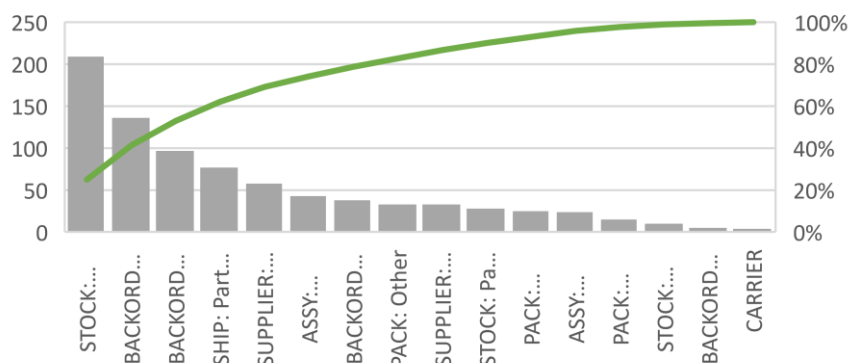
- **Supplemental Financial Information**
- **Additional Back Up Slides**

Janesville Improvement: TCAR

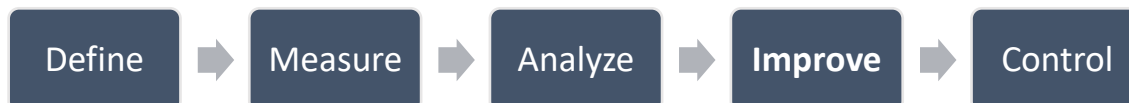
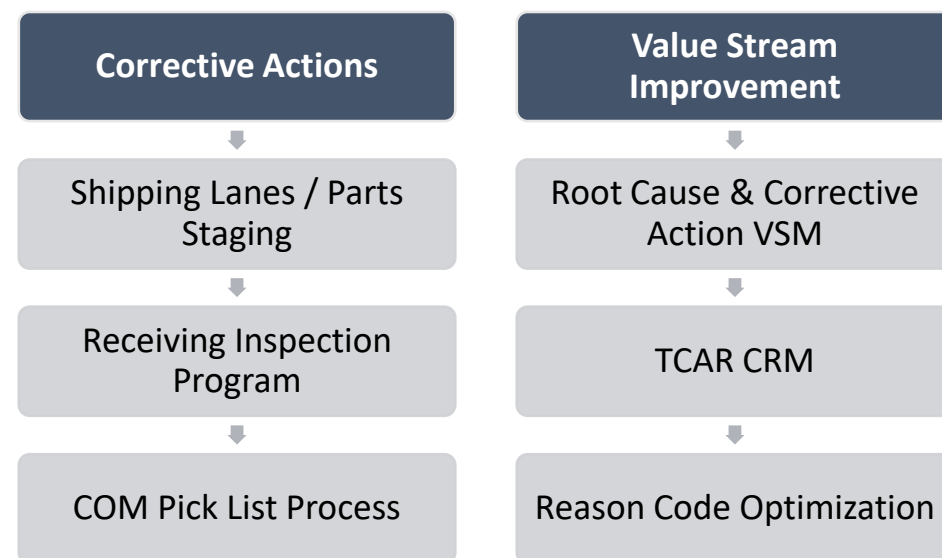


A pareto analysis yielded clear areas of focus to target in the Shipping, Stock Room, Receiving, and Assembly areas; corrective actions and process improvements established to mitigate errors and enhance TCAR process

TCAR Detail 2018-Feb2019



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



Global Communication Road Map



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

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

Janesville Deferred Maintenance



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

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

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

2019 Focus on 5



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

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