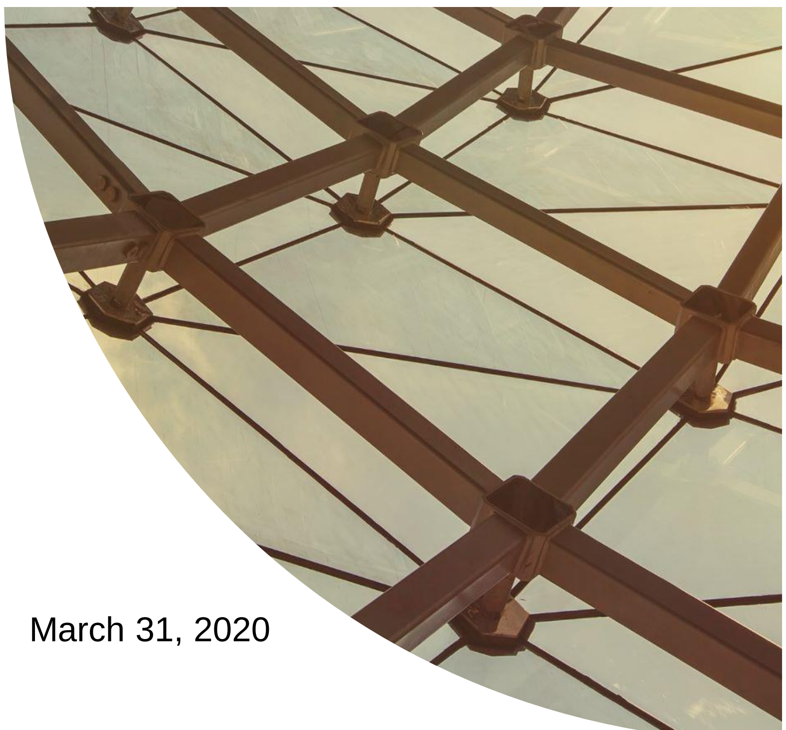
HUFCOR

LINCOLN INTERNATIONAL

Fair Value Analysis of Hufcor, Inc.

Valuation as of December 31, 2019



March 31, 2020

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This report (“Report”) has been prepared by Lincoln Partners Advisors LLC (“Lincoln” or “we”) from materials and information supplied (whether orally or in writing) by or on behalf of OpenGate Capital (collectively with its subsidiaries and affiliates, “OGC”) as well as publicly available data and information. This Report is delivered subject to the conditions, scope of engagement, limitations and understandings set forth herein and in our engagement letter dated November 17, 2016. The valuations herein shall represent the findings of Lincoln based solely upon the information furnished by or on behalf of OGC, and other publicly accessible sources, and shall be considered advisory in nature only.

In arriving at the valuations herein, Lincoln has relied upon and assumed the accuracy and completeness of the financial information supplied to us and considered in our analysis, and we do not assume any responsibility for independent verification of such information. The valuations herein assume that information and representations made by management regarding the portfolio companies are accurate in all material respects. For those cases in which information was not available as of the valuation date, Lincoln assumed that there was no material change between the date of the most current information provided to us and the valuation date.

Our valuations herein are based on a limited scope analysis, primarily based on information provided by OGC and discussions with the management of OGC. Lincoln has not made any independent valuation or appraisal of the assets and liabilities of any portfolio company, has not visited or made any physical inspection of the portfolio companies and has not interviewed the management of the portfolio companies.

Our analysis and the valuations herein are necessarily based on general economic, financial, market, operating and other conditions as they exist and can be evaluated by us as of the valuation date and must be considered in that context. Unanticipated events and circumstances may occur and actual results may vary from those assumed. The variations may be material. Lincoln makes no warranty and is not responsible for losses or damages arising out of errors, omissions or changes in market factors, or any conditions and circumstances beyond its control. Except where otherwise indicated, the analysis in this Report speaks as of the valuation date. Under no circumstances should the delivery of this Report imply that the analysis would be the same if made as of any other date.

In arriving at the valuations herein, Lincoln has relied upon certain statements, estimates and projections provided by OGC with respect to the historical and anticipated future performance of each portfolio company. Such statements, estimates and projections contain or are based on significant assumptions and subjective judgments made by management of OGC. These assumptions and judgments may or may not be correct, and there can be no assurance that any projected results are attainable or will be realized. Lincoln was not requested to and has not attempted to independently verify any such statements, estimates and projections, and as such, Lincoln makes no representation or warranty as to, and assumes no responsibility for, their accuracy or completeness and for the effect which any such inaccuracy or incompleteness may have on the results or judgments contained in this Report.

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We have acted as an independent financial advisor to the management of OGC and will receive a customary fee from OGC for our services. Our fees are not contingent upon the valuations provided herein, and neither Lincoln nor any of its employees have a present or intended financial interest in OGC or the portfolio companies unless otherwise disclosed to OGC. We may have rendered in the past or may render in the future certain financial advisory services to the portfolio companies or parties involved in transactions with the portfolio companies.

We have not been engaged to identify prospective purchasers or to ascertain the actual prices at which and terms on which each of the portfolio companies could currently be sold. No opinion, counsel or interpretation is intended for use in matters that require legal, accounting, tax or other professional advice. It is assumed that such opinions, counsel or interpretations have been or will be obtained from the appropriate professional sources.

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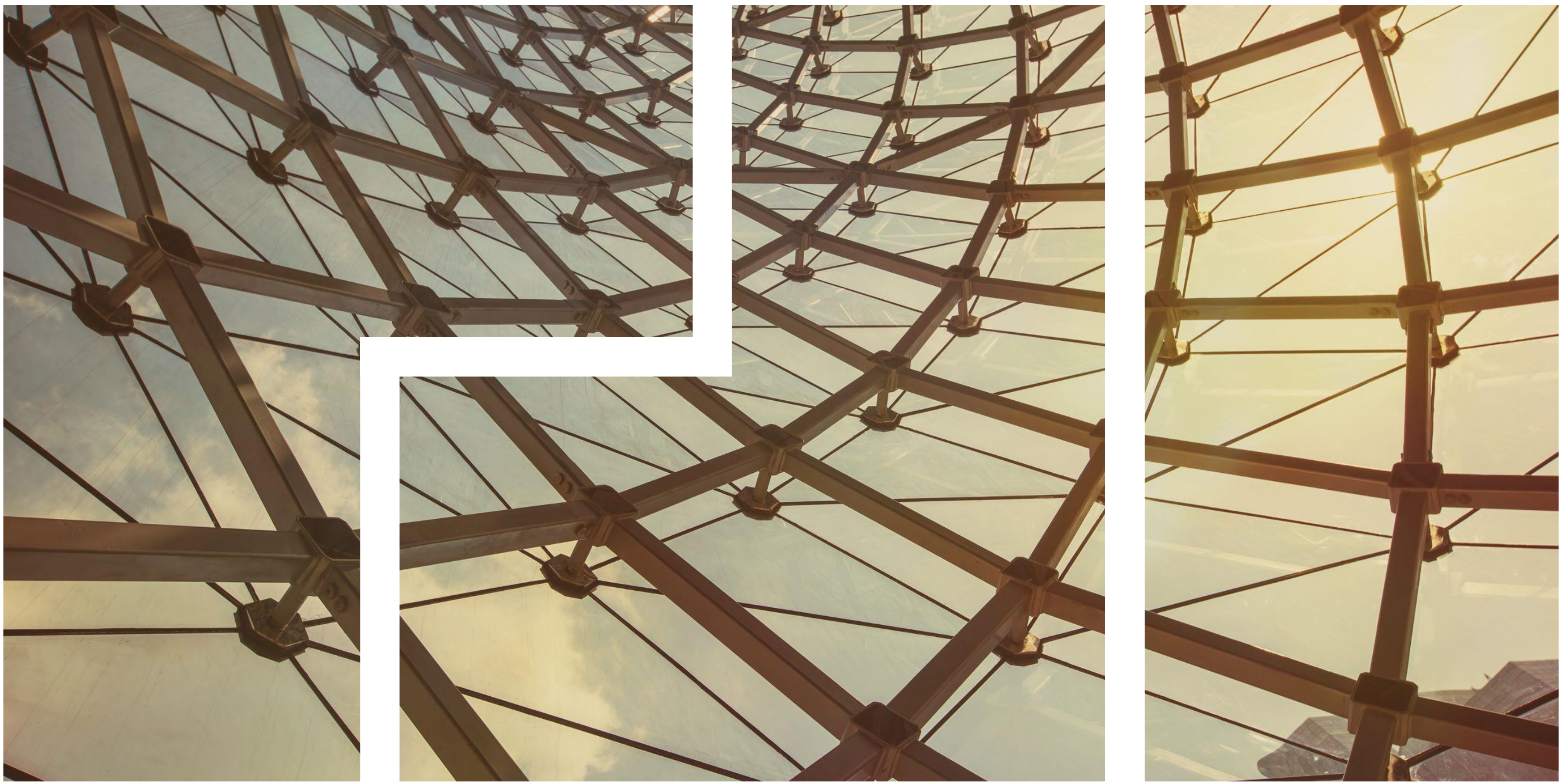
Executive Summary

Section 1



Executive Summary

Terms of Engagement

- Lincoln Partners Advisors LLC ("Lincoln") has been retained by OpenGate Capital ("OGC") as an independent financial advisor for the purpose of providing written valuations (each, a "Valuation") as of December 31, 2019 (the "Valuation Date") of certain control, affiliate and non-control/non-affiliate investments of preferred stock, common stock, membership interests and warrants (individually, the "Investment"; collectively, the "Investments"). The portfolio company in which OGC owns an Investment is herein referred to as the "Portfolio Company." The Valuation will be used by OGC to assist with its determination of the fair value of the Investment in accordance with the fair measurement principles of Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosure (ASC 820), issued by the Financial Accounting Standards Board (FASB).

Scope of Analysis

- In connection with Lincoln's activities on behalf of OGC and the performance of its services hereunder, we have, among other things:
- Reviewed credit agreements and amendments for debt when available;
- Reviewed audited and/or unaudited financial statements when available, as well as internal financial statements as provided by OGC, for the most current period prior to the close of the quarter;
- Reviewed certain business, financial and other information relating to the Portfolio Company, including financial budgets or forecasts prepared by management of the Portfolio Company;
- Reviewed investment report memoranda prepared on the Investment by OGC;
- Discussed with OGC the investment thesis and business, financial outlook and prospects of the Portfolio Company;
- Reviewed certain financial and other information for the Portfolio Company and compared that data and information with certain stock trading and corresponding data and information for companies with publicly traded securities that we deemed relevant; and
- Considered such other information, financial studies, analyses and investigations and financial, economic and market criteria that we deemed relevant.

Summary of Conclusions

Summary Conclusions - Hufcor

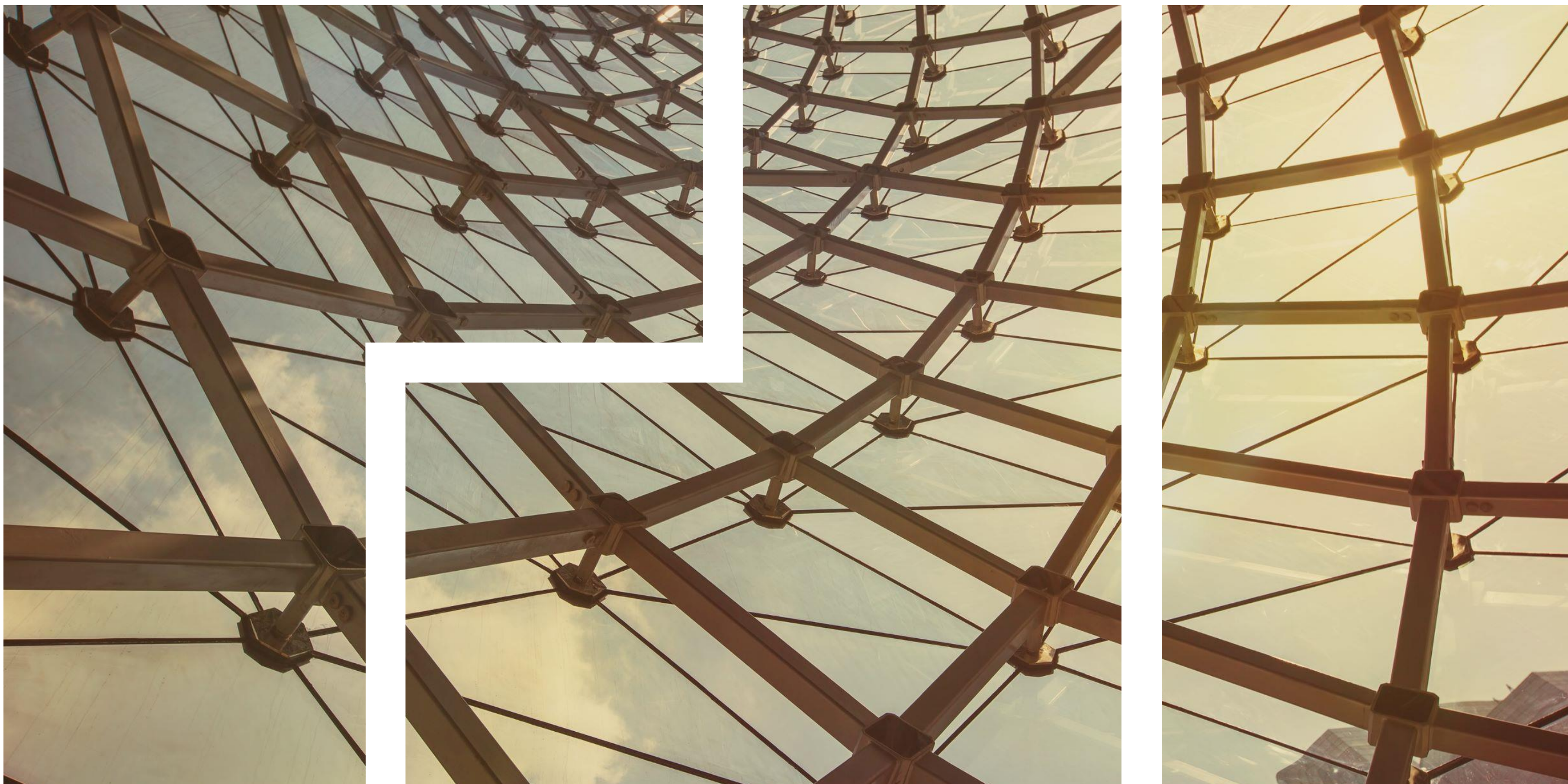
	Weighting	Fair Value Low		Fair Value Mid		Fair Value High	
Enterprise Value Indications:							
Market Approach:							
Selected Public Companies Analysis	25.0%	$	59,688	$	64,878	$	70,068
Precedent Transactions Analysis	25.0%		59,688		64,878		70,068
Income Approach:							
Discounted Cash Flow Analysis	50.0%		63,358		68,888		74,597
Indicated Enterprise Value		**$**	**61,523**	**$**	**66,883**	**$**	**72,333**
Add: Excess Cash [1]		$	-	$	-	$	-
Less: Total Debt [2]			(37,702)		(37,702)		(37,702)
Indicated Total Equity Value		**$**	**23,821**	**$**	**29,181**	**$**	**34,631**

Security	12/31/2019 Cost Basis	Implied Fair Value Low	Implied Fair Value Mid	Implied Fair Value High	Implied Fair Value as % Cost Low	Implied Fair Value as % Cost Mid	Implied Fair Value as % Cost High
Management Share of Equity	*n/a*	TBD	TBD	TBD	TBD	TBD	TBD
OGC Share of Equity	$ 35,300	TBD	TBD	TBD	TBD	TBD	TBD

(1) Cash is assumed to be operational in nature
(2) Total debt provided by Hufcor management as of December 31, 2019 balance sheet: Revolver balance of $5.6 million and Term Debt of $32.1 million

Hufcor, Inc.

Section 2



Hufcor, Inc. ("Hufcor")

Industry: Movable Partitions

Initial Investment: September 1, 2017

	Initial Investment	Prior Period			Current Period					
Valuation Date:	September 1, 2017	September 30, 2019			December 31, 2019			Change		
Fair Value Conclusion	Purchase Price	Low	Mid	High	Low	Mid	High	Low	Mid	High
Enterprise Value	**$ 75,300**	**$ 66,270**	**$ 72,151**	**$ 78,129**	**$ 61,523**	**$ 66,883**	**$ 72,333**	**$ (4,747)**	**$ (5,268)**	**$ (5,796)**
Selected Public Companies Analysis		$ 60,908	$ 66,999	$ 73,090	$ 59,688	$ 64,878	$ 70,068	$ (1,221)	$ (2,121)	$ (3,022)
Precedent Transactions Analysis		63,954	70,045	76,136	59,688	64,878	70,068	(4,266)	(5,167)	(6,067)
Discounted Cash Flow Analysis		70,108	75,780	81,645	63,358	68,888	74,597	(6,751)	(6,892)	(7,048)
Total Equity Value	$ 35,300	$ 25,581	$ 31,462	$ 37,440	$ 23,821	$ 29,181	$ 34,631	$ (1,760)	$ (2,281)	$ (2,809)
Financial Metrics	As of February 2017		As of September 2019			As of December 2019			Amount	%
LTM Revenue	$ 128,995 (1)		$ 150,292			$ 149,257			$ (1,036)	*(0.7%)*
LTM EBITDA (2)	10,300		11,469			8,477			(2,992)	*(26.1%)*
% Margin	*8.0%*		*7.6%*			*5.7%*				
Forward Revenue (3)	$ 143,700		$ 150,693			$ 161,308			$ 10,615	*7.0%*
Forward EBITDA (2)(3)	10,700		12,182			10,380			(1,801)	*(14.8%)*
% Margin	*7.4%*		*8.1%*			*6.4%*				
Total Net Leverage	3.9x		3.5x			4.4x			0.9x	
Total Net Debt	$ 40,000		$ 40,689			$ 37,702			$ (2,987)	
Implied Multiples	Purchase Multiples	Low	Mid	High	Low	Mid	High	Low	Mid	High
Implied LTM Revenue Multiple	0.6x	0.4x	0.5x	0.5x	0.4x	0.4x	0.5x	(0.0x)	(0.0x)	(0.0x)
Implied LTM EBITDA Multiple	7.3x	5.8x	6.3x	6.8x	7.3x	7.9x	8.5x	1.5x	1.6x	1.7x
Implied Forward Revenue Multiple	0.5x	0.4x	0.5x	0.5x	0.4x	0.4x	0.4x	(0.1x)	(0.1x)	(0.1x)
Implied Forward EBITDA Multiple	7.0x	5.4x	5.9x	6.4x	5.9x	6.4x	7.0x	0.5x	0.5x	0.6x

Note: All tables express USD in thousands unless otherwise noted
(1) Represents FY 2016
(2) Prior period included a $4.0 million addback adjustment associated with one-time expenses incurred in September 2019
(3) FY 2017E at initial investment; FY 2019E in prior period; FY 2020E in current period

Hufcor, Inc. (“Hufcor”)

Financial Metrics and Company Valuation

- LTM revenue was relatively flat since the prior period; however, LTM EBITDA decreased by $3.0 million (after accounting for one-time addbacks of bad debt and consulting expense) due to pro forma costs related to headcount additions to be made in FY 2020 in order to properly staff Hufcor’s business
- FY 2018 financials are no longer being restated for accounting irregularities; instead, an audit adjustment will be made coinciding with the issuance of the FY 2019 audit to account for issues previously uncovered with the company’s balance sheet accruals
- EBITDA projections from FY 2020 to FY 2022 revised down by $1.0 to $3.8 million per annum based on expected timeline to steer an operational turnaround; long-term FY 2023E EBITDA remained in line with the prior period forecast
- 2020E EBITDA used as Valuation Driver in the current period analysis given the company was actively pursuing strategic initiatives as of the Valuation Date and LTM EBITDA is thus not reflective of normalized business performance

Lincoln Valuation Assumptions

- Selected 2020E EBITDA multiple in the selected public companies’ analysis based on the initial purchase price, movement in trading multiples of the selected public companies, and the company’s performance since close; increased from the prior period due to the company capturing the operational turnaround in its LTM financials and the time period to achieving the NCY budget increasing
- Selected EBITDA multiple in the precedent transaction analysis based on the initial purchase price, identified M&A transactions, and the company’s operating results; increased from the prior period analysis as the impact of the operational turnaround was not fully captured in the prior period LTM results, while the current LTM period is pro forma for the turnaround; due to progress achieved as of the Valuation Date, the company gained greater insight into near-term prospects and its ability to realize the NCY budget, lowering risk associated with NCY EBITDA
- DCF exit multiple was maintained from the prior period

Fair Value Conclusion

- Estimated enterprise value decreased from the prior period analysis due to revised expectations on the company’s performance and a steepening of the long-term forecast
- Total equity value is 17.3% below cost at the midpoint given general risk involved with the company turning around its operations according to plan; total equity value decreased by 7.2% from the prior period, partially offset by a decrease in the company’s net debt

Business and Transaction Overview

Initial Transaction

		9/1/2017 Amount	Multiple of EBITDA	Cumulative Multiple	% of Total Cap
Revolver [1]	$	6,600	0.6x	0.6x	8.8%
Term Debt		33,400	3.2x	3.9x	44.4%
Total Debt	$	40,000	3.9x	3.9x	53.1%
Less: Cash		-	0.0x	3.9x	0.0%
Net Debt	$	40,000	3.9x	3.9x	53.1%
Common Equity - Market Value	$	35,300	3.4x	7.3x	46.9%
Total Equity	$	35,300	3.4x	7.3x	46.9%
Total Capitalization	$	75,300	7.3x	7.3x	100.0%
LTM February 2017 Adj. EBITDA	$	10,300			

Source: Project Hotel_IC Deck #2_06.14.17; 2017 Audited Financial Statements
(1) $23.0 million total commitment

Business and Transaction Overview

- Hufcor designs and manufactures movable partitions. Its product line includes operable, vertical lift, and glass partitions, accordion doors, and other proprietary space management products. The company serves a diverse set of end markets, including hotel meeting and ballrooms, convention centers, educational and healthcare institutions, airports, religious buildings, and other commercial facilities to help optimize space management needs.
- On September 1, 2017, OpenGate Capital ("OGC") purchased Hufcor for $75.3 million (including fees and expenses), or 7.3x LTM February 2017 EBITDA of $10.3 million. The transaction was financed with a $6.6 million draw on the Revolver ($23.0 million commitment), $33.4 million of Term Debt, and $35.3 million of equity.

Underwriting Considerations

- Hufcor is a global leader in a niche market, with 26% market share in the United States and 19% market share globally.
- The US glass wall market has grown at a 14% CAGR through 2017 and is expected to grow at a 12% CAGR through 2022.
- The business requires only ~$2.0 million of annual capital expenditures to support the underwriting projections and capacity can be increased substantially with relatively little capital investment.
- The company is well diversified from an end market and geographic perspective. Further, given the nature of the assembly business, 75% of cost of goods sold is variable with limited one-off costs in the case of downturn.

Recent Developments

- In April of 2018, the company replaced senior management, including hiring a new CEO and a vice president of domestic field operations to develop the strategy and direction for the domestic sales, service, and field operations.
- In Q3 2018, the company was in process of closing three manufacturing facilities in Asia Pacific, in line with the strategy to facilitate cost savings and consolidate its global footprint.
- In Q4 2018, Hufcor opened a new assembly line to expedite the production of its new 700 series product line, which will be available to customers worldwide.

Business and Transaction Overview (continued)

Recent Developments

- In August 2019, the company fired and replaced its executive team, including the company's CEO, CFO, CIO, and CHRO. Additionally, later in Q3 2019, 15 external consultants were hired to assist in carrying out core changes to Hufcor's business and hiring commenced for key operational roles, such as Corporate Controller and VP of Operations.
- In September 2019, due diligence began on 15 of the company's balance sheet accounts as certain accounts were identified to not be properly reconciled following the termination of the previous CFO. By the end of September 2019, three major issues were uncovered and addressed, resulting in the following adjustments to the September monthly financials:
  - $2.0 million of bad debt expense incurred associated with uncollectible and duplicate billings greater than one year;
  - $1.3 million of inventory write down expenses due to inaccurate cycle counts; and
  - $636 thousand of expenses associated with a correction of warranty reversal.
- As of the Valuation Date, the company was awaiting the completion of its FY 2019 audit to assess the audit adjustment associated with the foregoing reconciliation of its balance sheet accruals. Moreover, based on work done with the external consultants from August 2019 to December 2019, the company set forth a new strategic roadmap outlining the objectives to complete through FY 2023. In particular, Hufcor has established a "four pillar" strategy to shape its operational turnaround which includes a focus on team success, domestic operations, international operations, and commercial growth.

Financial Overview

Underwriting Forecast vs. Actual / Valuation Date Forecast

	Actual 12/31/2017	Actual 12/31/2018	Actual 12/31/2019	Revised 12/31/2020	Revised 12/31/2021	Revised 12/31/2022	Revised 12/31/2023
Revenue							
Underwriting Projections	$ 143,700	$ 145,200	$ 147,500	$ 152,400	$ 158,800	$ 164,900	*n/a*
9/30/2019 Actuals / Projections	137,907	137,796	150,693	144,362	148,693	153,154	157,748
Actual Results / Revised Forecast	137,907	137,796	149,257	161,308	175,341	190,596	207,178
Over (Under) Underwriting Projections	$ (5,793)	$ (7,404)	$ 1,757	$ 8,908	$ 16,541	$ 25,696	*n/a*
	(4.0%)	*(5.1%)*	*1.2%*	*5.8%*	*10.4%*	*15.6%*	*n/a*
Adjusted EBITDA							
Underwriting Projections	$ 10,700	$ 12,900	$ 13,400	$ 14,200	$ 15,100	$ 15,900	*n/a*
9/30/2019 Actuals / Projections	11,351	6,797	12,182	12,457	15,199	16,466	17,797
Actual Results / Revised Forecast (1)	11,351	6,797	8,477	10,380	12,514	14,832	17,353
Over (Under) Underwriting Projections	$ 651	$ (6,103)	$ (4,923)	$ (3,820)	$ (2,586)	$ (1,068)	*n/a*
	6.1%	*(47.3%)*	*(36.7%)*	*(26.9%)*	*(17.1%)*	*(6.7%)*	*n/a*

Commentary

- Hucor's FY 2019 financials are pending an audit adjustment; therefore, actual FY 2019 results presented above may be revised at a subsequent date.
- Based on actual FY 2019 results as of the Valuation Date, the company was in line with the prior period budget for revenue but under EBITDA estimates by $4.9 million. FY 2019 EBITDA of $8.5 million is inclusive of addbacks for one-time expenses of $2.2 million in consultant costs, $1.3 million in bad debt expense, $400 thousand in warranty expense, and $320 thousand in inventory expense. Additionally, FY 2019 EBITDA is inclusive of a $3.4 million pro forma expense for headcount additions that will be made in 2020 to staff the business at an adequate level for its growth prospects.
- The FY 2020 to FY 2023 budget was revised down from the prior period on an EBITDA basis as greater visibility was obtained relating to the company's operational turnaround. Despite a reduction in EBITDA estimates, particularly from FY 2020 to FY 2022, the company maintained its long-term FY 2023 forecast. From its "four pillar" strategy, the company anticipates achieving incremental EBITDA of $4.4 million from commercial growth, $3.4 million from domestic operations, $2.9 million from international operations, and $200 thousand from an improvement in productivity and retaining top talent. The growth curve steepened for both revenue and EBITDA based on current expectations.

Source: Project Hotel_IC Deck #2_06.14.17; Hufcor Q2 2019 5 Year Plan (003) 07_24_19; 2023 Forecast Hufcor
(1) FY 2019E Adjusted EBITDA in the prior period includes $4.0 million in adjustments from the one-time expense items incurred in September 2019

Market Approach – Selected Public Companies Analysis

	Selected Multiples		Financial	Enterprise Value		
	Low	High	Statistic [1]	Low	Mid	High
Next Calendar Year:						
Enterprise Value / EBITDA	5.75x	6.75x	$ 10,380	$ 59,688	$ 64,878	$ 70,068
Selected Public Companies Analysis Indication of Value				**$ 59,688**	**$ 64,878**	**$ 70,068**

Commentary

- Lincoln concluded a valuation multiple range of **5.75x to 6.75x 2020E EBITDA**. The concluded multiple range was increased by 0.75x from the prior period based on the company capturing the costs associated with the operational turnaround in its LTM financials and the time horizon to achieving the NCY budget lengthening, both factors contributing to decreased risk in the NCY budget.
- In concluding on its valuation multiple range, Lincoln considered the following:
  - Per discussions with OGC, Lincoln selected three public companies in the movable partition and broader building products industry that serve comparable end markets and experience similar supply and demand economics as Hufcor. The selected companies provide a general proxy for market movements and represent industry multiples as a whole. Of the selected public companies, dormakaba Holding AG (“dormakaba”) operates a division which serves as a direct competitor to Hufcor and is considered the closest comparable company, despite being a diversified international entity.
  - Lincoln selected its 2020E EBITDA multiple range with consideration to dormakaba’s size and profitability adjusted NCY EBITDA multiple of 6.2x. The size and profitability adjusted multiples are calculated with a regression analysis based on empirical data which adjusts the public companies’ implied EBITDA multiples for Hufcor’s size and margins. The midpoint of Lincoln’s concluded multiple range is slightly above dormakaba’s size and profitability adjusted NCY EBITDA multiple due to Hufcor’s higher growth expectations.
  - Lincoln did not utilize an LTM EBITDA in the current period analysis given that the company was undergoing operational challenges in FY 2019 and FY 2019 financials were thus not regarded as representing normalized operations for the company.

(1) Represents 2020E EBITDA

Market Approach – Selected Public Companies Analysis (continued)

	Stock	% of 52	Market	Enterprise	Net Debt /	LTM			3-Year CAGR		NCY Projected Growth	
Company Name	Price	Week High	Capitalization	Value	EBITDA	Revenue	EBITDA	EBITDA Margin	Revenue	EBITDA	Revenue	EBITDA
Comany Inc.	$ 12.38	84.1%	$ 110	$ 46	*nmf*	$ 307	$ 20	6.4%	(0.4%)	(7.8%)	1.2%	11.6%
Komatsu Wall Industry Co., Ltd.	21.07	93.9%	194	85	*nmf*	344	35	10.1%	11.7%	*nmf*	*n/a*	*n/a*
dormakaba Holding AG	715.03	87.9%	2,964	3,693	1.4x	2,888	459	15.9%	10.0%	13.6%	1.6%	5.9%
Mean		**88.6%**	**$ 1,089**	**$ 1,275**	**1.4x**	**$ 1,180**	**$ 171**	**10.8%**	**7.1%**	**2.9%**	**1.4%**	**8.7%**
Hufcor, Inc.					**4.4x**	**$ 149**	**$ 8**	**5.7%**	**4.0%**	**(13.6)%**	**8.1%**	**22.5%**

	EV / LTM EBITDA			EV / NCY EBITDA			3-Year Average EV / LTM	
Company Name	9/1/2017	9/30/2019	12/31/2019	9/1/2017	9/30/2019	12/31/2019	Revenue	EBITDA
Comany Inc.	4.0x	2.2x	2.4x	*n/a*	1.8x	2.0x	0.2x	3.4x
Komatsu Wall Industry Co., Ltd.	4.7x	1.3x	2.4x	*n/a*	*n/a*	2.4x	*nmf*	*nmf*
dormakaba Holding AG	12.6x	7.4x	8.0x	9.7x	7.3x	7.8x	1.4x	9.4x
Mean	**7.1x**	**3.6x**	**4.3x**	**9.7x**	**4.6x**	**4.1x**	**0.8x**	**6.4x**

	Raw Valuation Multiples						Size and Profitability Adjusted Valuation Multiples					
	EV / LTM		EV / NCY		3-Yr Average EV / LTM		EV / LTM		EV / NCY		3-Yr Average EV / LTM	
Company Name	Revenue	EBITDA	EV / NCY	EBITDA	Revenue	EBITDA	Revenue	EBITDA	Revenue	EBITDA	Revenue	EBITDA
Comany Inc.	0.2x	2.4x	0.1x	2.0x	0.2x	3.4x	0.2x	2.3x	0.1x	2.0x	0.2x	3.3x
Komatsu Wall Industry Co., Ltd.	0.2x	2.4x	*n/a*	2.4x	*nmf*	*nmf*	0.2x	2.4x	*n/a*	2.4x	*n/a*	*n/a*
dormakaba Holding AG	1.3x	8.0x	1.3x	7.8x	1.4x	9.4x	0.5x	6.4x	0.5x	6.2x	0.6x	7.2x
Mean	**0.6x**	**4.3x**	**0.7x**	**4.1x**	**0.8x**	**6.4x**	**0.3x**	**3.7x**	**0.3x**	**3.5x**	**0.4x**	**5.2x**

Source: Capital IQ and company filings
Note: USD in millions

Market Approach – Selected Public Companies Descriptions

Company Name	Ticker	Description
Comany Inc.	TSE:7945	Comany Inc., together with its subsidiaries, manufactures and sells partitions in Japan and China. Its partition products are used in offices, factories, educational facilities, medical and welfare facilities, and public and commercial facilities. The company was founded in 1961 and is headquartered in Komatsu, Japan.
dormakaba Holding AG	SWX:DOKA	dormakaba Holding AG provides access and security solutions worldwide. Its products are offered to hotels, shops, sporting venues, airports, hospitals, homes, and offices. The company was founded in 1862 and is based in Rümlang, Switzerland.
Komatsu Wall Industry Co., Ltd.	TSE:7949	Komatsu Wall Industry Co., Ltd. engages in the design, manufacture, construction, sale, and service of steel and aluminum movable partitions, and walls in Japan. The company was founded in 1968 and is headquartered in Komatsu, Japan.

Source: Capital IQ and company filings

Market Approach – Precedent Transactions Analysis

	Selected Multiples		Financial		Enterprise Value					
	Low	High	Statistic [(1)]		Low		Mid		High	
Next Calendar Year:										
Enterprise Value / EBITDA	5.75x	6.75x	$	10,380	$	59,688	$	64,878	$	70,068
Precedent Transactions Analysis Indication of Value					**$**	**59,688**	**$**	**64,878**	**$**	**70,068**

Commentary

- Lincoln concluded a valuation multiple range of **5.75x to 6.75x 2020E EBITDA**, which increased by 0.5x from the prior period.
- In concluding its valuation multiple range, Lincoln considered the following:
  - Lincoln referenced the initial purchase price at close of the September 2017 transaction and the identified transactions in the movable partition and broader building products industry that involve acquisition targets comparable to Hufcor, as detailed below:
    - Lincoln identified two M&A transactions with publicly disclosed metrics. The identified transactions involving Poundfield Products (Group) Limited and Skyfold Inc. have an LTM EBITDA multiple of 6.8x ad 8.5x, respectively.
    - Additionally, Lincoln identified three transactions in which Lincoln acted as an advisor in the deal (details are not disclosed for confidentiality purposes). The mean LTM EBITDA multiple and deal size of the transactions was 8.6x and $136.3 million, respectively.
  - Lincoln determined its valuation multiple range based on the initial purchase price of the company, the identified public M&A transactions, the private transactions that Lincoln has advised on, and the company's recent developments. In particular, Lincoln noted the prior period analysis did not fully reflect the financial impact of the operational turnaround in the LTM results, while the current LTM period is pro forma for turnaround expenses, as discussed previously. A lower level of risk was therefore associated with the NCY budget based on greater visibility of the company's strategic roadmap. Lincoln utilized FY 2020E EBITDA as the value driver in the current period given that LTM and NCY+1 financials could not be relied upon due to operational issues and the long-term achievability of the forecast, respectively. Lincoln's concluded multiple range remains below the public M&A transactions and private transactions that Lincoln has advised on due to the company's lower margin profile.

(1) Represents 2020E EBITDA

Market Approach – Precedent Transactions Analysis (continued)

Closed Date	Target	Acquirer	Target Description	Enterprise Value	Enterprise Value / LTM Sales	Enterprise Value / LTM EBITDA	EBITDA Margin
Dec-17	Poundfield Products (Group) Limited	SigmaRoc plc	Poundfield Products (Group) Limited, through its subsidiary, manufactures precast and prestressed concrete wall and floor for residential to commercial construction projects.	$ 14	1.4x	6.8x	20.3%
Jul-17	Skyfold Inc.	dormakaba Holding AG	Skyfold Inc. manufactures automated vertical folding wall systems.	86	2.6x	8.5x	30.5%
Mean				**$ 50**	**2.0x**	**7.7x**	**25.4%**
Sep-17	**Hufcor, Inc.**	**OGC**		**$ 75**	**0.6x**	**7.3x**	**8.0%**

Source: Capital IQ and company filings
Note: USD in millions

Income Method – Discounted Cash Flow Analysis

Terminal Multiple	4.50x			5.00x			5.50x		
Discount Rate	17.50%	17.00%	16.50%	17.50%	17.00%	16.50%	17.50%	17.00%	16.50%
	Low				Mid				High
Present Value of Discrete Cash Flows	$ 22,389	$ 22,584	$ 22,783	$ 22,389	$ 22,584	$ 22,783	$ 22,389	$ 22,584	$ 22,783
Present Value of Terminal Cash Flow	40,969	41,674	42,394	45,521	46,304	47,104	50,073	50,934	51,814
Total Enterprise Value	$ 63,358	$ 64,258	$ 65,176	$ 67,910	$ 68,888	$ 69,887	$ 72,462	$ 73,519	$ 74,597
Enterprise Value / 2020E EBITDA	6.1x	6.2x	6.3x	6.5x	6.6x	6.7x	7.0x	7.1x	7.2x
Terminal Value as a % of Total Value	64.7%	64.9%	65.0%	67.0%	67.2%	67.4%	69.1%	69.3%	69.5%
Implied Value at Exit	$ 78,087	$ 78,087	$ 78,087	$ 86,764	$ 86,764	$ 86,764	$ 95,440	$ 95,440	$ 95,440
Implied Perpetual Growth Rate	3.9%	3.5%	3.0%	5.1%	4.7%	4.2%	6.2%	5.7%	5.3%

Commentary

- Lincoln sensitized the selected discount rate of 17.00% by +/- 50 bps and the exit multiple of 5.00x by +/- 0.5x. The concluded exit multiple was determined based on OGC’s underwriting expectations surrounding an exit and the public company and precedent transaction analyses and was maintained from the prior period.
- The discounted cash flow analysis results in an enterprise value range of $63.4 million to $74.6 million. This range of enterprise values implied multiples of **6.1x to 7.2x 2020E EBITDA.**
- As discussed previously in this report, the NCY budget was revised down from the prior period due to greater visibility into the company’s path to turning around its operations. Based on insights into the company’s strategic plan, Lincoln maintained its discount rate assumptions from the prior period.

Income Method – Discounted Cash Flow Analysis (continued)

		Projected Year Ending,				Projected
		12/31/2020	12/31/2021	12/31/2022	12/31/2023	CAGR [(1)]
Revenue		$ 161,308	$ 175,341	$ 190,596	$ 207,178	8.5%
% Growth		*n/a*	*8.7%*	*8.7%*	*8.7%*	
$ Change from Prior		*$ 16,945*	*$ 26,648*	*$ 37,442*	*$ 49,429*	
Adjusted EBITDA		$ 10,380	$ 12,514	$ 14,832	$ 17,353	19.6%
% Growth		*n/a*	*20.5%*	*18.5%*	*17.0%*	
% Margin		*6.4%*	*7.1%*	*7.8%*	*8.4%*	
$ Change from Prior		*$ (2,077)*	*$ (2,686)*	*$ (1,633)*	*$ (445)*	
Operating Income		$ 5,092	$ 7,075	$ 9,243	$ 11,614	36.6%
% Margin		*3.2%*	*4.0%*	*4.8%*	*5.6%*	
Less: Taxes @ 25.0%		(1,273)	(1,769)	(2,311)	(2,903)	
Plus: Depreciation & Amortization		5,289	5,439	5,589	5,739	
Plus: Amortization		-	-	-	-	
Gross Cash Flow		$ 9,108	$ 10,745	$ 12,521	$ 14,449	
Less: Increase in Working Capital		$ (1,204)	$ (1,427)	$ (1,491)	$ (1,554)	
Less: Capital Expenditures		(2,100)	(2,283)	(2,481)	(2,697)	
Unlevered Free Cash Flow		$ 5,804	$ 7,035	$ 8,550	$ 10,198	
Unlevered Free Cash Flow Growth Rate		*(13.6%)*	*21.2%*	*21.5%*	*19.3%*	
$ Change from Prior		*$ 3,745*	*$ (3,700)*	*$ (2,891)*	*$ (2,211)*	
Partial Period Factor		1.00	1.00	1.00	1.00	
Discount Period		0.50	1.50	2.50	3.50	
Discount Factor	*17.0%*	0.9245	0.7900	0.6754	0.5773	
Present Value of Unlevered Cash Flows		$ 5,366	$ 5,557	$ 5,774	$ 5,887	

Present Value of Discrete Period Cash Flows	$ 22,584
Present Value of Terminal Cash Flow	46,304
Indicated Enterprise Value	**$ 68,888**

Exit Multiple	5.00x
Terminal Value	$ 86,764
Discount Factor	0.53
Present Value of Terminal Cash Flow	$ 46,304

Source: Forecast provided by OGC
(1) Projected CAGR from FY 2019A to FY 2023E

LINCOLN INTERNATIONAL

HUFCOR

Income Method – Discounted Cash Flow Analysis (continued)

Company Name		Total Debt		Preferred Equity		Market Capitalization		Total Capital	Debt to Equity	Debt to Total Capital (Wd)	Effective Income Tax Rate	2-Yr Weekly Levered Beta	2-Yr Weekly Unlevered Beta (Bu)
Comany Inc.	$	21	$	-	$	110	$	131	19.1%	16.1%	30.6%	0.57	0.50
Komatsu Wall Industry Co., Ltd.		-		-		194		194	0.0%	0.0%	30.6%	0.57	0.57
dormakaba Holding AG		786		-		2,964		3,750	26.5%	21.0%	24.1%	0.42	0.35
Mean	**$**	**101**	**$**	**-**	**$**	**1,089**	**$**	**1,358**	**15.2%**	**12.3%**	**28.4%**	**0.36**	**0.48**
Selected as Most Comparable to Hufcor									**17.6%**	**15.0%**	**25.0%**		**0.50**

Cost of Equity	Prior Period	Current Period	Notes
Risk-Free Rate (Rf)	1.9%	2.3%	*Long-term (20-year) U.S. government debt yield*
Plus Equity Premiums:			
Equity Risk Premium (ERP)	6.1%	6.1%	*2019 Valuation Handbook: Long-horizon expected equity risk premium (supply-side)*
Relevered Equity Beta (Bl)	0.71	0.57	*Levered betas above per Bloomberg; Bl = Bu x [1 + (Wd / We) x (1 - T)]*
Industry Adjusted Equity Risk Premium	4.4%	3.5%	*Bl x ERP*
Size Premium (SP)	5.2%	5.2%	*2019 Valuation Handbook: CRSP Decile 10*
Company Specific Risk Premium (CSRP)	8.0%	8.0%	*Maintained from the prior period given visibility into the company's turnaround strategy*
Cost of Equity (COE)	19.5%	18.9%	*COE = Rf + (Bl x ERP) + SP + CSRP*
Cost of Debt			
Pre-Tax Cost of Debt	6.7%	6.7%	*Based on Lincoln's observed cost of debt capital rates for similar sized companies*
Estimated Tax Rate	25.0%	25.0%	
After-Tax Cost of Debt (COD)	5.0%	5.0%	*COD = Pre-Tax Cost of Debt x (1-T)*
Weighted Average Cost Of Capital			
Debt % of Capital (Wd)	20.0%	15.0%	
Cost of Debt (COD)	5.0%	5.0%	
Weighted Cost of Debt	1.0%	0.7%	*Wd x COD*
Equity % of Capital (We)	80.0%	85.0%	
Cost of Equity (COE)	19.5%	18.9%	
Weighted Cost of Equity	15.6%	16.1%	*We x COE*
Weighted Average Cost of Capital (Rounded)	**16.5%**	**17.0%**	

Source: Capital IQ and company filings
Note: USD in millions

Equity Valuation Summary

Enterprise Value Waterfall			
	Low	Mid	High
FY 2019 EBITDA	$ 8,477	$ 8,477	$ 8,477
Implied EBITDA Multiple	7.3x	7.9x	8.5x
Concluded Enterprise Value	$ 61,523	$ 66,883	$ 72,333
Plus: Cash (1)	-	-	-
Available for Paydown	$ 61,523	$ 66,883	$ 72,333
Less: Revolver	(5,625)	(5,625)	(5,625)
Less: Term Debt	(32,077)	(32,077)	(32,077)
Total Equity Value	**$ 23,821**	**$ 29,181**	**$ 34,631**

Commentary

- Based on the analysis conducted herein, Lincoln concluded an enterprise value range of $61.5 million to $72.3 million.
- As shown above, Lincoln determined the fair value of Hufcor's total equity as of the Valuation Date to be **$23.8 million to $34.6 million**.

(1) Cash is assumed to be operational

Summary of Valuation Methodologies

Appendix A

Valuation Methodology and Key Assumptions

Overview

- Lincoln utilizes several methodologies to estimate the fair value of the Investments. Lincoln's fair value estimates are generally expressed as a range and are considered by the Client in its determination of a single estimate of fair value for each individual security.

Definition of Fair Value

- The valuations presented herein reflect the ASC-820-20 definition of "fair value" defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."
- The valuation method for each Portfolio Company varies depending upon industry and company specific considerations. We generally perform a fundamental analysis to establish a risk profile for each company in addition to the application of one or more of the following: (i) market method; (ii) income method; and (iii) enterprise valuation waterfall method.

Fundamental Analysis

- A fundamental analysis of each Portfolio Company considers such factors as major developments affecting the business, financial outlook, industry dynamics, overall risk profile and other qualitative factors impacting valuation. These considerations are discussed throughout the Report.

Valuation Methodology and Key Assumptions

Market Method

- The market method values the enterprise value of each Portfolio Company based on the observable prices of similar companies. We consider comparable public companies and precedent M&A transactions for both public and private companies, if available. Lincoln also draws on its institutional knowledge of private middle-market M&A valuations.
- The Market Method involves the determination of representative levels of earnings or other operating metrics, such as operating income (EBIT) and earnings, before interest, taxes, depreciation and amortization (EBITDA). Normalizing adjustments may be made based upon the facts and circumstances such as add-backs to EBITDA for non-recurring items. Lincoln selects an appropriate range of market multiples based on analysis of comparable public companies and/or M&A transactions as of the measurement date. We then apply the selected market multiples to the Portfolio Company to determine its enterprise value.
- Because many of the Portfolio Companies are often smaller than larger, publicly-traded companies, the private company M&A metrics may be used.

Income Method

- The discounted cash flow method (DCF) estimates the present value of the projected cash flows to be generated by the subject company. In the DCF approach, a discount rate is applied to the projected future cash flows to arrive at its present value. The discount rate is intended to reflect all risks of ownership and the associated risks of realizing the stream of projected cash flows.
- Generally, multi-year forecasts for the Portfolio Companies are not available and, as such, the Income Method is used infrequently as a primary method to determine enterprise value. Lincoln may, however, corroborate the reasonableness of its determined multiples derived under the Market Method using the Income Method, based on various estimates and assumptions.
- Lincoln may also utilize a leverage buy-out (LBO) analysis to determine the enterprise value based on a third-party investor’s required rate of return over a typical hold period.

Certifications

Appendix B

Certifications

Background of Patricia J. Luscombe, CFA

Patricia is currently a Managing Director and Co-Head of the Valuations & Opinions Group at Lincoln. Ms. Luscombe joined Lincoln in August 2007. She has more than 20 years experience in financial advisory and valuation services. She has delivered a broad range of corporate finance advice that resulted in the successful completion of corporate transactions and valuation and fairness opinions. Ms. Luscombe has advised portfolio companies of private equity firms and provided them with fairness opinions for transactions, including divestitures and recapitalizations, intra-fund transfer, and fair value accounting. Ms. Luscombe has also advised Boards of Directors of public companies and rendered fairness opinions in mergers and acquisitions and going private transactions. In addition, she has worked with the valuation of many closely held businesses for corporate transactions including acquisitions and divestitures, leveraged buyouts and restructuring/recapitalizations, ESOPs, and related party transactions, for general tax, accounting, litigation and regulatory purposes.

Previously, she spent 16 years at Duff & Phelps Corporation as a Managing Director in the firm's valuation and financial advisory business. Ms. Luscombe was a founding member and Managing Director at Duff & Phelps in a management led buyout which occurred in 1995. Prior to joining Duff & Phelps, Ms. Luscombe was an associate at Smith Barney, a division of Citigroup Global Markets, Inc. where she managed a variety of financial transactions, including mergers and acquisitions, leveraged buyouts and equity and debt financings.

Ms. Luscombe is a member of the Chicago Chapter of the Association for Corporate Growth, the Chartered Financial Analyst Society of Chicago and a former president of the Chicago Finance Exchange.

Ms. Luscombe holds a Bachelor of Arts degree in economics from Stanford University, a Master's Degree in economics from the University of Chicago and a Master of Business Administration degree from the University of Chicago, Booth School of Business.

Certification

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.

Patricia J. Luscombe

Patricia J. Luscombe, CFA

Background of Michael R. Fisch, CPA

Michael is a Managing Director of Lincoln’s Valuations & Opinions Group where he manages or participates in valuation assignments and markets the firm’s services.

Prior to Lincoln International, Michael worked in the M&A department at RBC Capital Markets and spent five years at Ernst & Young LLP, primarily in the Transaction Services Group, providing due diligence and tax structuring services to private equity groups, and restructuring and bankruptcy advice to a variety of corporate clients.

Michael received a Masters of Business Administration degree with concentrations in Finance and Strategic Management from the University of Chicago, Booth School of Business, a Master of Business Taxation degree from the University of Southern California and Bachelor's Degree in Business Administration from California Polytechnic State University. Michael is also a Certified Public Accountant.

Certification

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- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.

Michael R. Fisch

Michael R. Fisch, CPA

Certifications (continued)

Background of Larry Levine, CPA/ABV, ASA

Larry is a Managing Director of Lincoln's Valuations & Opinions Group where he manages or participates in valuation assignments and markets the firm's services. Prior to joining Lincoln International, Larry was a Partner in McGladrey LLP's Financial Advisory Services Group – Valuations and Corporate Finance Department.

Larry received a Masters of Business Administration degree with concentrations in Finance and Strategic Planning from the Wharton Graduate School of Business, University of Pennsylvania and a Bachelor's Degree in Accounting and Economics from the University of Albany. Larry is an accredited appraiser from both the American Society of Appraisers and American Institute of Certified Public Accountants, a Certified Public Accountant, on the National Roster of Commercial Arbitrators from the American Arbitration Association, including serving on their Alternative and Complex Investments Committee Advisory Group on Alternative and Complex Investments, and a Certified Licensing Professional from the Licensing Executives Society. He currently serves on committees for the American Society of Appraisers and International Valuation Standards Council.

He has been published or quoted in the following periodicals: Journal of Applied Finance, CNBC, The Washington Post, The New York Times, The Wall Street Journal, Bloomberg, The Deal, Fiduciary and Investment Risk Management Association magazine, Accountancy Age, Journal of Alternative Investments, Mergers & Acquisitions magazine, Valuation Strategies, CFO magazine and CFO.com. He has published three peer reviewed papers on the attributes of securities trading on the over-the-counter bulletin board stock market as well as a paper quantifying illiquidity discounts for stock options.

Certification

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.

Larry Levine