



2020 Monthly Operating Review – August 2020

September 23rd, 2020



Executive Summary

Financial Review

Full Year Financial Outlook

Governance Reporting

Appendix

Business Unit Analysis

Executive Summary

- 1. Sales Volumes & Revenues:** Overall sales revenues and volumes were ahead of Plan by \$271K and 2% for the Month due to higher demand from both Canadian and US customers at Woodbridge and Laval attributable to improved market conditions and pent up demand from COVID-19 shutdowns. Terrebonne sales were behind Plan as a result of lower production output, labor issues (high turnover rate, increased use of temporary workers, scheduled overtime to increase output). Sales in Everett were behind Plan as a result of a slower ramp up in production output and lower inventory levels
- 2. EBITDA:** EBITDA ahead of Plan by \$730K. EBITDA supported by higher sales volumes, favorable material PPV (resin, impact modifier and stabilizer), a reduction in labor costs, a favorable absorption impact due to increased production levels, lower OPEX spending and a favorable F/X impact. These favorable impacts to EBITDA were partially offset by lower regrind usage and higher scrap levels at Woodbridge, Delmont and Everett and lower tool & die overhead recoveries
- 3. Vs Prior Year:** Overall sales revenues and volumes were ahead of Prior Year by \$859K and 6% for the Month due to higher demand from both Canadian and US customers at Woodbridge and Laval attributable to improved market conditions and pent up demand. Sales were behind Prior Year at Terrebonne as a result of lower production output and labor issues. Sales in Everett were behind Prior Year as a result of a slower ramp up in production output and lower inventory levels. EBITDA was ahead of the Prior Year by \$1,255K impacted by higher sales volumes, favorable material PPV (resin), lower labor costs, lower OPEX spending and a favorable F/X impact. EBITDA was unfavorably impacted by lower regrind usage, higher scrap levels and increased inventory reserves at Everett
- 4. TTM:** 2020 August TTM Revenue of \$153.3M and EBITDA of \$11.8M (\$9.8M excluding wage subsidy) vs the 2020 AOP Revenue of \$164.5M and EBITDA of \$13.5M (excluding bonus expense)

Executive Summary (Continued)

5. **Sales Order Flow:** Overall sales order flow outlook for September is currently ahead of Prior Year on a Month to Date basis by 18.5%. Extrusion sales orders are ahead of prior year orders by 23.8% while Patio Door sales orders are behind by 9.8%. Woodbridge, Laval, Delmont and Everett have seen strong order intake in September with their Month to Date orders ahead of Prior Year levels by 49%, 69%, 4% and 2%, respectively. Currently, September sales are tracking behind Budget by approx. \$500K but ahead of Prior Year
6. **Supply Constraints:** Westlake announced Force Majeure after Hurricane Laura devastated the greater Lake Charles area impacting the electrical infrastructure and rail service. As a result of the force majeure, Westlake is on allocation and has limited our resin supply in September and October. ENERGI has had to limit the resin for internal production requirements and limit the amount of compound sold to external customers. ENERGI has secured some additional loads of compound from GEON for the Everett plant and is trying to secure resin supply with the other major producers. Additionally, certain suppliers of glass and hardware are struggling to keep up with the increased demand causing supply constraints for many of our customers. These challenges will impact sales in September and October
7. **Terrebonne Union Strike:** The Terrebonne union announced a strike action on Monday September 14th as a result of a breakdown in negotiations. There are a couple of unresolved issues from the negotiations with the main issue being the request for wage increases. The strike is currently in its second week but discussions have commenced between ENERGI and the union representatives. Sales and production will be impacted in September at Terrebonne. Sales team are managing the communication with the customers
8. **Material/Supplier Pricing:** The August CDI Resin Index was increased by 3cpp, which was lower than the expected 4cpp that the producers were asking. The September CDI Resin Index was just released and was increased by 5.5cpp as a result of the impacts of Hurricane Laura, increased domestic demand, increases in export pricing (demand increasing from China and India) and tight inventory supply. This is a Global issue as there are operating problems in Europe, which have led to sales control and allocation. The expectation is that domestic resin prices will increase an additional 2.5cpp - 3cpp in October due to the increased global demand and tight inventory levels

Executive Summary (Continued)

9. **Price Increases:** ENERGI has communicated price increases on the patio door products in a two phased approach with effective dates of October 7th, 2020 and January 1st, 2021. The price increase on standard doors is 4%, the increase on custom doors is 7% and the KD/bulk product is set at a 2% increase. ENERGI has also communicated a price increase of 3cpp on compound product to its external compound customers with an effective date of September 7th, 2020. ENERGI is communicating a price increase on extrusion profiles with an effective date of October 1st, 2020
10. **Bank Covenants:** Excess Availability covenant for August-20 ahead of target @95% with Fixed Cost Coverage Ratio (FCCR) above the target @ 2.3:1 due to improvement in EBITDA, lower CAPEX spending and lower interest costs. Continue to closely monitor daily cash flows and Q4 2020 cash flow forecasts and impacts on Excess Availability and FCCR covenants. Cash conservation management in effect as a result of the uncertainty concerning COVID-19 impacts on the economy

Executive Summary (Continued)

	Description	Potential Impact	Plan to Address
Risks	2020 Recession (NA / Global)	<ul style="list-style-type: none"> Revenue and EBITDA loss Employee retention issues 	<ul style="list-style-type: none"> Continue to stay in touch with all major customers Develop production scheduling discipline to ensure not over or under producing and not creating backorders Cash conservation management
	COVID-19 Pandemic	<ul style="list-style-type: none"> Operations shutdown Employee lay-offs 	<ul style="list-style-type: none"> Infectious Disease Management Policy procedures communicated Daily call with Plant Managers to discuss status of customers, employees, supply chain Continuing to work from home procedures, where applicable
	Terrebonne (Patio Doors)	<ul style="list-style-type: none"> Revenue and EBITDA loss Turnaround plan not achieved 	<ul style="list-style-type: none"> Resolve union strike action and get employees back on the production floor to build product and satisfy customer orders Focus on improving production output and reducing backorders
	Aggressive Competition and related pricing pressures	<ul style="list-style-type: none"> Customer losses Revenue and EBITDA loss Reduction in profitability vs Plan 	<ul style="list-style-type: none"> Continuing to stay in touch with major customers to solidify ENERGI's relationship as a strategic partner through "Huddle" meetings two West Coast sales account managers supporting US growth
	Backorder Issues	<ul style="list-style-type: none"> Future loss of revenues 	<ul style="list-style-type: none"> Current backorder issues may result in certain customers finding a secondary extrusion / patio door source or moving business Prioritizing customers, increasing production, building up stocking plans
Opportunities	External Compound Sales	<ul style="list-style-type: none"> Revenue and EBITDA growth Absorption of ECS overheads 	<ul style="list-style-type: none"> Quoting & launching non-fenestration compound opportunities Developing natural/green core compound for alt. materials initiative
	Operations Excellence Initiatives	<ul style="list-style-type: none"> Operational efficiencies Profitability improvements 	<ul style="list-style-type: none"> Woodbridge is focused on increasing regrind usage activity Delmont is focused on productivity, yield and scrap reduction initiatives Everett - improving throughput, productivity and regrind usage
	Supply Chain Initiatives	<ul style="list-style-type: none"> Improvement in profitability Offset raw material increases 	<ul style="list-style-type: none"> Traction on supply chain initiatives with incremental procurement savings achieved Reviewing alternative supply options for all resources Challenging price increases from all suppliers
	Pipeline Growth	<ul style="list-style-type: none"> Revenue and EBITDA growth Plant capacity utilization 	<ul style="list-style-type: none"> Sales prospecting efforts on hold during pandemic Completion and launch of Dark Cap opportunities in Everett Completion and launch of modular platform system in Woodbridge

Key Wins and Losses – August 2020


Key Wins

- None


Key Losses

- None


Key Initiatives Update

Initiative	Status	Recent Progress	Next Steps	Risks
1. Woodbridge Productivity Improvements (ON HOLD)		<ul style="list-style-type: none"> • 24 week project commenced on Jan. 6th with DB&A • Total cost of \$816K • Guaranteed Savings of \$1,670K in Direct Labor (12%), Indirect Labor (15%) and Material (24%) • ROI of 2.05:1 	<ul style="list-style-type: none"> • Scheduling: implement line schedule process to reduce variation on the floor vs. current process of listing all orders and allowing Operators and Supervisors to select • Tool Room: implement Productivity measure and process to improve performance based on requirements • Changeovers: standardize changeover process to eliminate excess start-up time while reducing scrap caused by current inconsistencies 	<ul style="list-style-type: none"> • Production planning inefficiencies • Labor planning inefficiencies • Additional scrap and material inefficiencies


Key Initiatives Update (Continued)

Initiative	Status	Recent Progress	Next Steps	Risks
2. Freight Savings		<ul style="list-style-type: none"> • Rail Project (ECS to Everett): revised current rail routing pattern from CN to BNSF thru Chicago to CN to BNSF thru New Westminster, BC interchange resulting in a savings of approx. \$350K • Assessing Phase 2 options – (i) new routing pattern to Langley, BC with a transloading to Trimac trucks; and (ii) new CN proposal on rail to Arlington, WA and avoids transloading; approx. incremental savings of \$140K • Truck Lane Negotiations: reviewing truck lanes from each of the plants, including ECS with shipments to Woodbridge, Laval and Delmont; approx. savings of \$367K • Leasing out ECS rail yard still under review • Review of flatbed truck vs. dry van: test conducted at Delmont to load a flatbed truck to PGT; savings are not as originally anticipated due to configuration of Delmont's racks 	<ul style="list-style-type: none"> • New rail routing pattern from CN to BNSF thru New Westminster, BC implemented in January • Truck lane reviews with each plant – need to discuss matching the rates with the current carriers • Reviewing Trimac proposal and agreement for leasing out rail storage space at ECS • Flatbed review: need to assess cost of modification of racks and potential additional savings 	<ul style="list-style-type: none"> • New carriers for truck lanes may not be able to meet ENERGI's requirements and customer demands without additional charges • Additional delivery delays with new rail routes

Key Initiatives Update (Continued)

Initiative	Status	Recent Progress	Next Steps	Risks
3. Pricing Increases		<ul style="list-style-type: none">• Pricing increase activity for Terrebonne patio doors: initial incremental revenue estimate of \$700K from general price increase based on material price increases and increased price for customized door options• Extrusion PVC pricing increase based on material price increases sustained by the business• Discussions finalized with customers	<ul style="list-style-type: none">• Running into some resistance from both patio door and extrusion customers	<ul style="list-style-type: none">• Customer retention may be impacted• EBITDA impacts from not implementing increases built into the Plan

Key Initiatives Update (Continued)

Initiative	Status	Recent Progress	Next Steps	Risks
4. Information Technology & Systems Security		<ul style="list-style-type: none"> • Account Management & Security (R1) initiative completed – utilizing Azure Active Directory to centrally manage and enforce security settings • Business Continuity & DR (R2) – implemented local and remote back-up strategy & protocol for local site servers • Full DR test successfully completed for JDE ERP • Two-Factor Authentication (R5) – completed successfully • Implemented Mimecast to scan incoming emails and block suspicious addresses • Added “Warning” message to all incoming emails originating from outside ENERGI system • Cybersecurity Training & Awareness (R3) – portal has been set up and training has been kicked off (complete) 	<ul style="list-style-type: none"> • DR test on Syteline ERP (Terrebonne) to be scheduled once current Vanilla Project work is completed • DR test on ConcepMATICs ERP (Laval) to be scheduled • Vulnerability Mgmt (R4) – postponed to 2021 • Hard Drive Encryption (R6) – postponed to 2021 • Patch Mgmt (R7) – in process; dependent on Change Mgmt policies and procedures • Email Encryption (R8) – postponed to 2021 • Mobile Device Mgmt (R9) – evaluating MS solution or SOTI • Removable Media (R10) & Cloud-Based Apps (R11) – postponed to 2021 	<ul style="list-style-type: none"> • Email Phishing Attacks: <ul style="list-style-type: none"> a) Ransomware email from external email account; shutdown Terrebonne for 3 days; able to restore from back-up b) Email impersonating CEO / CFO asking employee for banking information or payment

Key Performance Indicators - Summary

Safety:

- One(1) recordable incident in August 2020: (i) Laval – employee was retrieving his knife from its holster as the knife became stuck resulting in a laceration in the employee's right index finger requiring two sutures (no Lost Time)
- 2020 TRIR of 1.27 (as of July 2020) vs 2019 TRIR of 2.32; Total Recordable Cases – 4 for 2020 vs 16 for 2019 FY & 14 for 2018 FY
- Milestones achieved: 45 months incident free record at ECS and 15 months incident free record at Woodbridge

Quality:

- Woodbridge– Complaint from Quaker for poor fit in punch (X0559), Vinyl Pro (good part scans difficult to discern from bad part scans) for poor punch fit and Ostaco for bowing X0431. Reinstated shift meetings on reduced scale to incorporate review of quality check completion and MRB follow-ups to reinforce quality expectations.
- ECS - Returned from Accord due to the surface roughness issue during extrusion.

Delivery:

- Deliveries impacted by Covid 19 due to increased demand, reduced production levels causing longer lead times and higher backorders
- Everett – Yellowing material issues
- Terrebonne - Lack of material from supplier backorders with their suppliers; also due to vacations, key employees difficult to replace by temps. In addition, several resignations from full-time employees

Efficiencies:

- Woodbridge - Many short runs to accommodate changing customer priorities due to strong demand coupled with reduced inventory
- Delmont – yields impacted by less regrind available and lower bowling production.
- Everett yields impacted by production mix and regrind availability

Inventory:

- Overall at budgeted levels with Laval and Delmont being slightly over as a result of inventory builds

Key Performance Indicators – Plant Summary

KPI Measure		2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	YTD 2020
<u>Health & Safety</u>											
# Recordables (affects TRIR)	# in Month	0	1	0	0	1	1	0	0	1	4
Woodbridge		0	0	0	0	0	0	0	0	0	0
Laval		0	1	0	0	0	0	0	0	1	2
Terrebonne		0	0	0	0	1	1	0	0	0	2
Delmont		0	0	0	0	0	0	0	0	0	0
Everett		0	0	0	0	0	0	0	0	0	0
ECS		0	0	0	0	0	0	0	0	0	0
<u>Quality Performance</u>											
Returns as % of sales	# of Plants Green	6	3	5	4	4	4	3	4	4	4
Woodbridge		0.41%	0.38%	0.72%	0.42%	0.62%	0.67%	0.27%	0.22%	0.89%	0.50%
Laval		0.72%	1.24%	0.40%	0.82%	0.00%	0.63%	0.46%	0.27%	0.06%	0.46%
Terrebonne		0.55%	1.04%	0.41%	0.37%	0.10%	0.50%	0.67%	0.57%	0.10%	0.46%
Delmont		0.30%	0.03%	0.21%	0.14%	0.03%	0.17%	0.32%	0.00%	0.17%	0.13%
Everett		0.44%	0.68%	0.29%	0.37%	1.99%	1.28%	0.93%	0.66%	0.31%	0.75%
ECS		0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.41%	0.00%
<u>Delivery Performance</u>											
% by line items	# of Plants Green	6	5	5	4	2	3	1	0	0	0
Woodbridge		98.1%	98.9%	99.3%	98.3%	93.6%	87.1%	72.1%	84.5%	79.5%	89.2%
Laval		99.0%	99.9%	99.8%	98.4%	84.7%	87.3%	82.1%	85.4%	87.3%	90.6%
Terrebonne		95.0%	99.4%	93.8%	83.7%	37.7%	82.5%	68.2%	57.1%	58.5%	72.6%
Delmont		99.6%	98.8%	99.6%	99.6%	99.8%	99.7%	98.9%	97.9%	96.0%	98.8%
Everett		99.2%	100.0%	99.5%	99.9%	100.0%	100.0%	99.9%	97.8%	92.0%	98.6%
ECS		100.0%	100.0%	100.0%	100.0%	79.0%	100.0%	99.6%	99.6%	99.6%	97.2%
% on time in full	# of Plants Green	6	5	4	5	2	3	1	0	0	0
Woodbridge		98.1%	98.9%	99.3%	98.3%	93.6%	87.1%	72.1%	84.5%	79.5%	89.2%
Laval		95.0%	99.9%	99.8%	98.4%	84.7%	87.3%	82.1%	85.4%	87.3%	90.6%
Terrebonne		95.0%	99.4%	93.8%	83.7%	37.7%	82.5%	68.2%	57.1%	58.5%	72.6%
Delmont		99.3%	97.9%	98.8%	99.4%	99.6%	99.6%	98.5%	97.8%	97.2%	98.6%
Everett		99.2%	100.0%	99.5%	99.9%	100.0%	100.0%	99.9%	97.8%	92.0%	98.6%
ECS		100.0%	100.0%	100.0%	100.0%	79.0%	100.0%	99.6%	99.6%	99.6%	97.2%
<u>Costs</u>											
Yield*	# of Plants Green	5	3	2	2	3	3	3	1	3	3
Woodbridge		88.0%	85.6%	85.4%	86.9%	84.1%	86.1%	87.2%	86.7%	86.1%	86.3%
Laval		87.9%	89.0%	89.8%	89.5%	93.0%	89.2%	90.0%	89.4%	90.9%	89.9%
Delmont		84.3%	86.1%	82.6%	84.1%	86.4%	84.9%	83.0%	83.5%	84.8%	84.3%
Everett		87.4%	89.6%	89.2%	89.4%	86.0%	88.2%	88.6%	87.0%	88.5%	88.4%
ECS		99.6%	99.5%	99.4%	99.5%	99.7%	99.5%	99.6%	99.4%	99.3%	99.4%

Notes: * Not measured at TB; ** Excluding TB; ***TB is # Concerns/100k Sales

Key Performance Indicators – Plant Summary (continued)

KPI Measure		2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	YTD 2020
Costs											
Alt. Compound Consumption Ratio*		5	4	1	1	1	3	1	1	1	2
Woodbridge		20.0%	20.0%	16.0%	22.1%	12.5%	17.8%	12.3%	13.3%	16.1%	16.5%
Laval		15.2%	21.5%	21.0%	14.4%	30.2%	18.0%	16.3%	23.7%	15.4%	18.6%
Delmont		23.3%	20.3%	16.7%	18.3%	19.2%	26.4%	17.5%	16.5%	19.0%	18.9%
Everett		20.0%	24.0%	13.2%	15.1%	14.3%	41.3%	18.5%	14.4%	15.5%	18.3%
ECS		0.4%	0.5%	0.3%	0.3%	0.0%	0.3%	0.2%	0.2%	0.2%	0.4%
Inventory											
Days - TTM*	# of Plants Green	5	4	4	4	4	4	4	4	6	
Woodbridge		77.8	69.6	69.1	68.2	68.7	70.5	67.5	64.1	60.2	
Laval		67.3	71.5	70.9	70.0	72.5	73.3	70.3	69.7	66.1	
Terrebonne		68.4	63.7	64.0	63.9	66.5	67.5	67.9	68.1	66.9	
Delmont		63.3	70.1	69.4	69.5	68.2	68.8	66.6	64.3	63.1	
Everett		104.3	92.2	91.6	88.4	89.4	90.5	85.3	82.4	79.3	
ECS		41.1	38.6	36.7	36.0	37.7	38.6	37.9	37.0	36.0	
Customer Service											
Customer Experience - NPS Improvement		20%	NA	NA	NA	NA	NA	NA	NA	NA	NA
Customer Complaints - per MLBS ***	# of Plants Green	6	4	5	4	4	4	5	5	5	4
Woodbridge		3.2	4.0	5.4	3.8	3.9	9.4	3.4	7.8	11.7	6.2
Laval		17.7	16.8	11.5	18.2	68.1	20.2	12.0	5.8	11.1	20.5
Terrebonne		2.8	3.9	2.2	1.3	0.5	0.9	2.5	2.1	2.5	2.0
Delmont		2.9	1.1	2.8	2.7	0.7	2.4	2.3	1.2	0.0	1.7
Everett		10.0	3.9	6.0	4.8	7.0	0.0	4.1	3.0	5.9	4.3
ECS		0.3	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Customer Retention		100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Employees											
Employee Engagement		80%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Employee Retention		90%	99.4%	99.1%	99.8%	99.4%	99.5%	98.9%	99.2%	98.2%	99.2%

Notes: * Not measured at TB; ** Excluding TB; ***TB is # Concerns/100k Sales

Consolidated Summary P&L – August 2020

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	9,983	8,857	1,126	12.7%	58,174	68,335	(10,161)	(14.9%)
Units Shipped ('000)	9,628	9,241	388	4.2%	62,506	66,868	(4,362)	(6.5%)
Bookings (\$'000)	\$ 17,467	\$ 16,318	\$ 1,149	7.0%	\$ 111,364	\$ 115,786	\$ (4,421)	(3.8%)
Backlog ('\$000)	\$ 17,572	\$ 8,966	\$ 8,606	96.0%	\$ 17,572	\$ 8,966	\$ 8,606	96.0%
Gross Revenue	\$ 16,739	\$ 16,377	\$ 362	2.2%	\$ 105,100	\$ 114,661	\$ (9,562)	(8.3%)
Adj. to Gross Revenue	(955)	(864)	(91)	10.5%	(5,145)	(5,761)	616	(10.7%)
Net Revenue	15,784	15,513	271	1.7%	99,954	108,900	(8,946)	(8.2%)
Material	7,812	7,624	188	2.5%	49,858	53,601	(3,743)	(7.0%)
Labor	2,875	3,017	(142)	(4.7%)	19,584	23,907	(4,323)	(18.1%)
Other COGS	1,829	1,938	(110)	(5.7%)	14,226	11,605	2,621	22.6%
Total COGS	12,516	12,580	(64)	(0.5%)	83,668	89,113	(5,445)	(6.1%)
Gross Margin	3,268	2,933	335	11.4%	16,286	19,787	(3,501)	(17.7%)
Gross Margin %	20.7%	18.9%			16.3%	18.2%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	457	531	(74)	(13.9%)	3,143	4,284	(1,141)	(26.6%)
Administrative	754	934	(179)	(19.2%)	5,882	7,335	(1,453)	(19.8%)
Other Opex	(147)	(6)	(141)	2534.6%	(1,088)	(65)	(1,022)	1562.5%
Total Opex	1,064	1,459	(395)	(27.0%)	7,937	11,553	(3,616)	(31.3%)
EBITDA	2,204	1,474	730	49.5%	8,349	8,234	115	1.4%
EBITDA %	14.0%	9.5%			8.4%	7.6%		
Net Income (Loss)	\$ 1,460	\$ 251	\$ 1,209	480.9%	\$ (888)	\$ (2,773)	\$ 1,885	(68.0%)
Capex	\$ (253)	\$ (556)	\$ 303	(54.5%)	\$ (1,702)	\$ (5,082)	\$ 3,380	(66.5%)
Opex Overview:								
Payroll	\$ 761	\$ 840	\$ (79)	(9.4%)	\$ 5,478	\$ 6,742	\$ (1,264)	(18.7%)
Bonus	22	62	(40)	(64.8%)	285	493	(208)	(42.1%)
Commissions	18	28	(11)	(37.9%)	165	181	(16)	(9.1%)
Marketing	100	80	20	24.8%	578	713	(135)	(19.0%)
Benefits	–	–	–	N/A	(854)	–	(854)	N/A
Travel and entertainment	12	97	(85)	(88.0%)	214	750	(536)	(71.5%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	26	28	(2)	(6.7%)	180	231	(51)	(22.2%)
Professional fees	33	48	(16)	(32.4%)	385	401	(15)	(3.8%)
Office Expenses	14	23	(10)	(41.0%)	137	171	(34)	(19.8%)
IT	165	157	8	5.4%	1,087	1,260	(174)	(13.8%)
Bad Debts	(0)	(0)	0	(43.3%)	61	(2)	63	(2625.6%)
FX	(119)	–	(119)	N/A	(84)	–	(84)	N/A
JV Loss (Income)	(28)	(6)	(22)	395.1%	(150)	(65)	(85)	129.2%
Other Expenses	62	102	(40)	(38.9%)	455	679	(224)	(33.0%)
Total Opex	\$ 1,064	\$ 1,459	\$ (395)	(27.0%)	\$ 7,937	\$ 11,553	\$ (3,616)	(31.3%)

Management Discussion

Net Revenue – MTD +\$271K:

- Extrusion external sales volume ahead of Budget by approx. \$364K or 2.8% with higher volumes in Woodbridge and Laval, partially offset by lower volumes at Everett due to slower ramp up in production output and lower inventory levels
- Patio Door gross sales were behind Budget by \$556K driven by lower production output and labor issues. External compound sales were ahead of Budget by \$17K due to higher orders from window extrusion customers non-fenestration customers
- Higher returns out of Everett, Woodbridge and ECS due to material issues (impact of \$62K)
- Higher rebates and discounts due to volume and mix (impact of \$25K)
- Favorable price / mix impact of \$317K from Delmont, Everett and Terrebonne
- Favorable F/X impact of approx. \$62K (actual rate of 1.3222 [or \$USD 0.7563] vs. Budget rate of 1.33 [or \$USD 0.7519])

EBITDA – MTD +\$730K:

- Material COGS:** Increased costs primarily driven by increased sales volumes/mix impact of \$142K, higher scrap of \$205K driven by lower regrind usage and lower yields at Woodbridge & Everett and higher inventory reserves of \$86K; partially offset by a favorable material price impact of \$245K (resin, impact modifier, stabilizer)
- Labor COGS:** Decrease in labor costs driven by higher productivity at the extrusion plants and continued savings from layoffs as a result of COVID-19 impacts, benefit from the suspension of the 401(k)/RRSP employer matching contributions and lower bonus expense accrual impact of \$36K
- Other COGS:** Decrease of \$110K comprised of: a favorable absorption impact of \$323K as a result of building more inventory than Plan and lower manufacturing o/h costs (ie. Maintenance, storage, supplies) of \$16K; partially offset by lower tool & die o/h recovery of \$169K and higher freight costs of \$60K due to sales volume and mix
- Sales and Marketing:** Lower payroll costs due to lower headcount (Covid-19 layoffs), lower product development costs due to volume & timing and lower T&E costs
- Administrative:** Lower payroll costs due to COVID-19 reductions (layoffs, furloughs, reductions), lower bonus accrual and lower spending due to cost containment initiatives
- Other Opex:** Favorable realized F/X re-valuation impact due to F/X revaluation of working capital balances (change in F/X from 1.3418 on July 31st to 1.3070 on August 31st) and higher JV equity income due to increased volumes

Consolidated Summary P&L (vs PY) – August 2020

\$'000

	MTD		Var		YTD		Var	
	Act	PY-Act	\$	%	Act	PY-Act	\$	%
Units Produced ('000)	9,983	9,076	907	10.0%	58,174	66,084	(7,910)	(12.0%)
Units Shipped ('000)	9,628	8,865	764	8.6%	62,506	64,215	(1,709)	(2.7%)
Bookings (\$'000)	\$ 17,467	\$ 15,021	\$ 2,446	16.3%	\$ 111,364	\$ 109,816	\$ 1,549	1.4%
Backlog (\$'000)	\$ 17,572	\$ 10,612	\$ 6,960	65.6%	\$ 17,572	\$ 10,612	\$ 6,960	65.6%
Gross Revenue	\$ 16,739	\$ 15,784	\$ 955	6.0%	\$ 105,100	\$ 110,360	\$ (5,260)	(4.8%)
Adj. to Gross Revenue	(955)	(859)	(96)	11.2%	(5,145)	(5,433)	288	(5.3%)
Net Revenue	15,784	14,926	859	5.8%	99,954	104,927	(4,972)	(4.7%)
Material	7,812	7,385	427	5.8%	49,858	51,200	(1,343)	(2.6%)
Labor	2,875	3,263	(388)	(11.9%)	19,584	24,236	(4,652)	(19.2%)
Other COGS	1,829	1,776	53	3.0%	14,226	11,986	2,240	18.7%
Total COGS	12,516	12,424	92	0.7%	83,668	87,423	(3,754)	(4.3%)
Gross Margin	3,268	2,502	766	30.6%	16,286	17,504	(1,218)	(7.0%)
Gross Margin %	20.7%	16.8%			16.3%	16.7%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	457	534	(77)	(14.5%)	3,143	4,394	(1,251)	(28.5%)
Administrative	754	1,001	(246)	(24.6%)	5,882	7,831	(1,949)	(24.9%)
Other Opex	(147)	18	(164)	(935.1%)	(1,088)	(249)	(838)	336.7%
Total Opex	1,064	1,553	(488)	(31.4%)	7,937	11,975	(4,038)	(33.7%)
EBITDA	2,204	949	1,255	132.2%	8,349	5,529	2,820	51.0%
EBITDA %	14.0%	6.4%			8.4%	5.3%		
Net Income (Loss)	\$ 1,460	\$ (410)	\$ 1,870	(456.1%)	\$ (888)	\$ (2,934)	\$ 2,047	(69.7%)
Capex	\$ (253)	\$ (386)	\$ 133	(34.5%)	\$ (1,702)	\$ (4,499)	\$ 2,797	(62.2%)
Opex Overview:								
Payroll	\$ 761	\$ 838	\$ (77)	(9.2%)	\$ 5,478	\$ 6,788	\$ (1,311)	(19.3%)
Bonus	22	112	(90)	(80.6%)	285	897	(612)	(68.2%)
Commissions	18	26	(9)	(32.7%)	165	161	3	2.0%
Marketing	100	123	(23)	(18.5%)	578	902	(324)	(35.9%)
Benefits	–	–	–	N/A	(854)	–	(854)	N/A
Travel and entertainment	12	63	(52)	(81.7%)	214	716	(502)	(70.1%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	26	32	(6)	(19.0%)	180	213	(33)	(15.4%)
Professional fees	33	68	(35)	(52.0%)	385	404	(19)	(4.7%)
Office Expenses	14	18	(4)	(23.3%)	137	172	(35)	(20.1%)
IT	165	173	(8)	(4.4%)	1,087	1,267	(180)	(14.2%)
Bad Debts	(0)	(0)	(0)	19.3%	61	97	(36)	(37.4%)
FX	(119)	40	(159)	(400.6%)	(84)	(122)	39	(31.6%)
JV Loss (Income)	(28)	(22)	(6)	24.9%	(150)	(127)	(23)	18.2%
Other Expenses	62	82	(20)	(24.3%)	455	607	(152)	(25.1%)
Total Opex	\$ 1,064	\$ 1,553	\$ (488)	(31.4%)	\$ 7,937	\$ 11,975	\$ (4,038)	(33.7%)

Management Discussion

Net Revenue – MTD +\$859K:

- Extrusion external sales volume ahead of Prior Year by approx. \$786K or 6.3% with higher volumes in Woodbridge and Laval, partially offset by lower volumes at Delmont (due to lower non-fenestration volumes) and Everett due to slower ramp up in production output and lower inventory
- Patio Door gross sales were behind Prior Year by \$112K driven by lower production output and labor issues, partially offset by new business from Atis. External compound sales were ahead of Prior Year by \$221K due to increased sales from new customers & products, in addition to higher orders from some window extrusion customers
- Higher returns out of Everett and ECS due to material issues (impact of \$45K)
- Higher rebates and discounts impact of \$47K due to volumes and customer mix
- Favorable F/X impact of approx. \$44K (actual rate of 1.3222 [or \$USD 0.7563] vs. Prior Year rate of 1.3277 [or \$USD 0.7532])

EBITDA – MTD +\$1,255K:

- Material COGS:** Increased costs primarily driven by increased sales volumes/mix impact of \$352K and higher scrap than Prior Year of \$127K driven by lower regrind usage at Delmont and Everett, production inefficiencies at ECS and higher inventory reserves of \$96K; partially offset by a favorable material price impact of \$148K (resin, impact modifier and stabilizers)
- Labor COGS:** Decrease in labor costs driven by higher productivity at the extrusion plants and continued savings from layoffs as a result of COVID-19 impacts, benefit from the suspension of the 401(k)/RRSP employer matching contributions and lower bonus expense accrual impact of \$82K
- Other COGS:** Increase of \$53K comprised of: lower tool & die o/h recovery of \$131K, higher manufacturing o/h costs of \$22K and slightly higher freight costs of \$6K; partially offset by a favorable absorption impact of \$106K as a result of building inventory
- Sales and Marketing:** Lower payroll costs due to lower headcount (Covid-19 layoffs), lower T&E and marketing costs due to cost containment initiatives
- Administrative:** Lower payroll costs due to COVID-19 reductions (layoffs, furloughs, reductions), lower bonus accrual and lower spending due to cost containment initiatives
- Other Opex:** Favorable realized F/X re-valuation year-over-year impact and higher JV equity income due to increased volumes

Consolidated Summary P&L (vs RFC) – August 2020

\$'000	MTD		Var		YTD		Var	
	Act	Fsct	\$	%	Act	Fsct	\$	%
Units Produced ('000)	9,983	8,182	1,801	22.0%	58,174	54,783	3,391	6.2%
Units Shipped ('000)	9,628	9,146	483	5.3%	62,506	59,476	3,030	5.1%
Bookings (\$'000)	\$ 17,467	\$ 13,007	\$ 4,460	34.3%	\$ 111,364	\$ 89,681	\$ 21,684	24.2%
Backlog ('\$000)	\$ 17,572	\$ 9,860	\$ 7,712	78.2%	\$ 17,572	\$ 11,047	\$ 6,526	59.1%
Gross Revenue	\$ 16,739	\$ 15,511	\$ 1,229	7.9%	\$ 105,100	\$ 87,629	\$ 17,470	19.9%
Adj. to Gross Revenue	(955)	(773)	(182)	23.6%	(5,145)	(4,165)	(980)	23.5%
Net Revenue	15,784	14,738	1,047	7.1%	99,954	83,464	16,490	19.8%
Material	7,812	7,669	143	1.9%	49,858	41,396	8,462	20.4%
Labor	2,875	2,847	28	1.0%	19,584	16,680	2,904	17.4%
Other COGS	1,829	2,184	(356)	(16.3%)	14,226	12,066	2,160	17.9%
Total COGS	12,516	12,701	(185)	(1.5%)	83,668	70,142	13,526	19.3%
Gross Margin	3,268	2,037	1,231	60.5%	16,286	13,323	2,964	22.2%
Gross Margin %	20.7%	13.8%			16.3%	16.0%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	457	401	56	13.9%	3,143	2,738	405	14.8%
Administrative	754	738	16	2.2%	5,882	5,140	742	14.4%
Other Opex	(147)	(32)	(115)	359.3%	(1,088)	(34)	(1,054)	3097.4%
Total Opex	1,064	1,107	(43)	(3.9%)	7,937	7,844	93	1.2%
EBITDA	2,204	930	1,274	137.1%	8,349	5,478	2,871	52.4%
EBITDA %	14.0%	6.3%			8.4%	6.6%		
Net Income (Loss)	\$ 1,460	\$ (185)	\$ 1,645	(887.6%)	\$ (888)	\$ (3,494)	\$ 2,607	(74.6%)
Capex	\$ (253)	\$ (339)	\$ 86	(25.4%)	\$ (1,702)	\$ (1,615)	\$ (87)	5.4%
Opex Overview:								
Payroll	\$ 761	\$ 690	\$ 70	10.2%	\$ 5,478	\$ 4,723	\$ 755	16.0%
Bonus	22	21	0	2.2%	285	263	22	8.3%
Commissions	18	17	1	4.2%	165	145	20	13.9%
Marketing	100	88	12	14.0%	578	497	81	16.3%
Benefits	–	–	–	N/A	(854)	–	(854)	N/A
Travel and entertainment	12	48	(36)	(75.8%)	214	238	(24)	(10.3%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	26	26	(0)	(0.8%)	180	154	26	17.1%
Professional fees	33	39	(6)	(15.0%)	385	354	32	8.9%
Office Expenses	14	14	0	0.2%	137	120	17	14.0%
IT	165	138	27	19.4%	1,087	925	162	17.5%
Bad Debts	(0)	(0)	0	(37.4%)	61	61	(0)	(0.3%)
FX	(119)	–	(119)	N/A	(84)	95	(179)	(187.7%)
JV Loss (Income)	(28)	(32)	4	(13.7%)	(150)	(129)	(21)	15.9%
Other Expenses	62	59	3	5.6%	455	398	57	14.3%
Total Opex	\$ 1,064	\$ 1,107	\$ (43)	(3.9%)	\$ 7,937	\$ 7,844	\$ 93	1.2%

Management Discussion

Net Revenue – MTD +\$1,047K:

- Extrusion external sales volume ahead of Reforecast with higher volumes across all plants with significant increases from both Canadian and US customers in Woodbridge and increases from Quebec and Atlantic Canada customers in Laval
- Patio Door gross sales were slightly behind Reforecast driven by lower AMI sales and lower production output
- External compound sales were ahead of Reforecast due to increased sales from window extrusion customers and continued higher sales from the non-fenestration customers
- Higher rebates and discounts due to sales volume impact
- Higher returns out of Everett, Woodbridge and ECS due to material issues
- Favorable F/X impact of approx. \$300K (actual rate of 1.3222 [or \$USD 0.7563] vs. Reforecast rate of 1.37 [or \$USD 0.7299])

EBITDA – MTD +\$1,274K:

- Material COGS:** Increased costs primarily driven by increased sales volumes/mix impact of \$154K and higher scrap than Rfc of \$88K at Woodbridge, Delmont and Everett due to increased production levels and lower regrind usage, and higher inventory reserves of \$28K; partially offset by a favorable material price impact of \$127K (resin)
- Labor COGS:** Labor costs only slightly higher than Rfc despite an increase of 22% in production levels
- Other COGS:** Decrease of \$356K comprised of: a favorable absorption impact of \$593K as a result of increased production and building inventory; partially offset by higher freight costs of \$89K as a result of higher volumes and customer mix, lower tool & die o/h recovery of \$34K and higher manufacturing o/h costs of \$114K (ie. Utilities, factory supplies, COVID safety supplies and maintenance)
- Sales and Marketing:** Higher payroll costs as a result of ending furloughs and lay-offs for sales, marketing and technical employees due to increased sales activity
- Administrative:** Higher payroll costs as a result of ending salary reductions, furloughs and lay-offs for certain G&A employees
- Other Opex:** Favorable realized F/X re-valuation impact due to F/X revaluation of working capital balances (change in F/X from 1.3418 on July 31st to 1.307 on August 31st)

August 2020 Net Sales Bridge

(In Thousands of US Dollars)

	Woodbridge	Laval	Delmont	Everett	ECS	Terrebonne	Group Office	Adj.	Total
Net Sales Budget, as reported (A)	\$ 3,725	\$ 3,218	\$ 3,390	\$ 2,402	\$ 6,150	\$ 2,539	\$ -	\$ (5,912)	\$ 15,513
Volume impact (external sales)	960	187	(208)	(575)	171	(556)	-	-	(21)
Volume impact (intercompany sales)	(201)	52	25	-	517	-	-	(393)	-
Rebates & discounts	(38)	(1)	2	8	-	3	-	-	(25)
Price / Mix impact	47	(11)	88	44	40	110	-	-	317
Returns & allowances	(12)	14	(3)	5	(28)	12	(50)	-	(62)
Other - F/X	25	20	(0)	(0)	5	12	-	0	62
Actual Net Sales (B)	\$ 4,507	\$ 3,478	\$ 3,294	\$ 1,884	\$ 6,855	\$ 2,120	\$ (50)	\$ (6,305)	\$ 15,784
Actual vs Budget, as reported Variance (B) - (A)	\$ 782	\$ 261	\$ (96)	\$ (518)	\$ 705	\$ (419)	\$ (50)	\$ (393)	\$ 271
Actual vs Prior Year, as reported Variance	\$ 700	\$ 338	\$ (171)	\$ (204)	\$ 371	\$ (52)	\$ (50)	\$ (73)	\$ 859
Actual YTD vs Budget YTD, as reported Variance	\$ (85)	\$ (2,645)	\$ (1,277)	\$ (2,729)	\$ (5,615)	\$ (3,159)	\$ (50)	\$ 6,613	\$ (8,946)
Actual YTD vs Prior Year YTD, as reported Variance	\$ (572)	\$ (2,034)	\$ (421)	\$ (1,860)	\$ (6,756)	\$ (1,222)	\$ (50)	\$ 7,943	\$ (4,972)

August 2020 EBITDA Bridge

(In Thousands of US Dollars)

	Woodbridge	Laval	Delmont	Everett	ECS	Terrebonne	Group Office	Adj.	Total
EBITDA Budget, as reported (A)	\$ (109)	\$ 623	\$ 551	\$ 78	\$ (19)	\$ 85	\$ 264	\$ 0	\$ 1,474
Volume & Mix impact	99	101	33	(299)	184	(130)	(139)	-	(151)
Labor - DL/IDL FAV/(UNF)	105	61	140	69	15	(90)	(145)	-	155
Alt. Materials FAV/(UNF)	(108)	28	(68)	(57)	-	-	-	-	(205)
Other Materials - FAV/(UNF)	(13)	26	(8)	(70)	278	(52)	-	-	161
Absorption impact FAV/(UNF)	187	41	2	107	(12)	(2)	-	-	323
Overhead Spending FAV/(UNF)	(139)	(11)	-	(46)	51	14	(32)	-	(163)
Warranty (specific accrual)	-	-	-	-	-	-	-	-	-
Bonus accrual	-	-	-	-	-	-	76	-	76
Other	(15)	(4)	11	190	192	13	147	(0)	534
Actual EBITDA (B)	\$ 8	\$ 865	\$ 661	\$ (29)	\$ 689	\$ (162)	\$ 170	\$ -	\$ 2,204
Actual vs Budget, as reported Variance (B) - (A)	\$ 117	\$ 242	\$ 109	\$ (106)	\$ 708	\$ (247)	\$ (93)	\$ (0)	\$ 730
Actual vs Prior Year, as reported Variance	\$ 177	\$ 347	\$ 140	\$ (75)	\$ 546	\$ (170)	\$ 291	\$ 0	\$ 1,255
Actual YTD vs Budget YTD, as reported Variance	\$ (187)	\$ 78	\$ 344	\$ (1,593)	\$ 2,554	\$ (724)	\$ 795	\$ (1,152)	\$ 115
Actual YTD vs Prior Year YTD, as reported Variance	\$ (247)	\$ 335	\$ 543	\$ (667)	\$ 993	\$ (1)	\$ 3,152	\$ (1,288)	\$ 2,820

Canada Emergency Wage Subsidy

MTD Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
YTD Impact	\$ 733	\$ 500	\$ -	\$ -	\$ 177	\$ 458	\$ 121	\$ -	\$ 1,990

Strategic Plan Update – Summary of Alternative Materials Initiative

(In Thousands of US Dollars)

	Aug-20			YTD			Comments
	Actual	Budget	Variance FAV/(UNF)	Actual	Budget	Variance FAV/(UNF)	
Woodbridge - Scrap Variance ⁽¹⁾	\$ (85)	\$ (17)	\$ (68)	\$ (498)	\$ (184)	\$ (315)	JV production scrap higher run rate (pit marks & surface issues)
Woodbridge - Alt Materials Usage ⁽²⁾	\$ 69	\$ 109	\$ (40)	\$ 473	\$ 888	\$ (414)	Reduced mixed regrind usage due to production mix
Woodbridge - Total	\$ (16)	\$ 92	\$ (108)	\$ (25)	\$ 704	\$ (729)	
Laval - Scrap Variance ⁽¹⁾	\$ 21	\$ -	\$ 21	\$ 83	\$ -	\$ 83	Improved yield and scrap rates due to mix and less tooling
Laval - Alt Materials Usage ⁽²⁾	\$ 59	\$ 52	\$ 7	\$ 356	\$ 377	\$ (20)	Use of mixed color regrind with aluminum hybrid parts
Laval - Total	\$ 80	\$ 52	\$ 28	\$ 439	\$ 377	\$ 63	
Delmont - Scrap Variance ⁽¹⁾	\$ (6)	\$ 49	\$ (55)	\$ 465	\$ 353	\$ 112	Increased scrap due to cellular start up issues
Delmont - Alt Materials Usage ⁽²⁾	\$ 75	\$ 88	\$ (13)	\$ 549	\$ 687	\$ (138)	Lower regrind usage due to lower bowling and resources
Delmont - Total	\$ 69	\$ 137	\$ (68)	\$ 1,014	\$ 1,040	\$ (26)	
Everett - Scrap Variance ⁽¹⁾	\$ 5	\$ 46	\$ (41)	\$ (37)	\$ 356	\$ (393)	Higher scrap due to increased capstock trials and testing
Everett - Alt Materials Usage ⁽²⁾	\$ 36	\$ 52	\$ (16)	\$ 229	\$ 404	\$ (175)	Lower regrind usage due to reduced volumes
Everett - Total	\$ 41	\$ 98	\$ (57)	\$ 192	\$ 760	\$ (568)	
Total Scrap Variance ⁽¹⁾	\$ (64)	\$ 79	\$ (143)	\$ 12	\$ 525	\$ (513)	
Total Alt Materials Usage ⁽²⁾	\$ 238	\$ 300	\$ (62)	\$ 1,608	\$ 2,356	\$ (747)	
Grand Total	\$ 174	\$ 379	\$ (205)	\$ 1,620	\$ 2,881	\$ (1,260)	

Notes:

(1) - Scrap Variance includes scrap variance vs. scrap included in Standard Costs from: (i) production scrap impacted by production yields, product mix and other factors (ie. Age of extruders, power outages, labor availability); (ii) raw material count variances and adjustments; and (iii) finished goods count variances and adjustments

(2) - Alt Materials Usage includes use of regrind material in the production process obtained from any one of the following sources: (i) alternative compound externally sourced; (ii) white window regrind from Zero Waster recycling program; and/or (iii) scrap not sold.

Strategic Plan Update – Summary of Labor Initiative

(In Thousands of US Dollars)

	Q1-20	Q2-20	Jul-20	Aug-20	YTD
Budget Production Volume (Lbs)	23,879	26,929	8,670	8,857	68,335
Actual Production Volume (Lbs)	23,571	16,055	8,565	9,983	58,174
Increased/(Decreased) Production - %	-1.3%	-40.4%	-1.2%	12.7%	-14.9%
Direct Labor:					
Budget Direct Labor	\$ 4,202	\$ 4,639	\$ 1,471	\$ 1,541	11,853
Deduct: Budget Direct Labor - Terrebonne	675	853	314	294	2,136
Budget Direct Labor - Extrusion & Compounding (A)	\$ 3,528	\$ 3,786	\$ 1,157	\$ 1,246	\$ 9,718
Budget Direct Labor (Flexed for Actual Volume) (B)	\$ 3,482	\$ 2,257	\$ 1,143	\$ 1,405	8,288
Actual Direct Labor	\$ 4,096	\$ 2,534	\$ 1,491	\$ 1,528	9,650
Deduct: Actual Direct Labor - Terrebonne	630	468	339	310	1,746
Actual Direct Labor - Extrusion & Compounding (C)	\$ 3,467	\$ 2,066	\$ 1,153	\$ 1,218	\$ 7,904
Direct Labor Savings - Extrusion & Compounding - FAV(UNF)					
Actual vs. Budget [(A) - (C)]	\$ 61	\$ 1,720	\$ 4	\$ 28	\$ 1,814
Actual vs. Budget (Flexed for Actual Volume) [(B) - (C)]	\$ 16	\$ 191	\$ (10)	\$ 187	\$ 384
Indirect Labor:					
Budget Indirect Labor	\$ 4,344	\$ 4,405	\$ 1,430	\$ 1,420	11,599
Deduct: Budget Indirect Labor - Terrebonne	283	293	104	95	775
Budget Indirect Labor - Extrusion & Compounding (A)	\$ 4,061	\$ 4,111	\$ 1,326	\$ 1,325	\$ 10,824
Budget Indirect Labor (Flexed for Actual Volume) (B)	\$ 4,051	\$ 3,779	\$ 1,323	\$ 1,359	\$ 10,502
Actual Indirect Labor	\$ 4,337	\$ 2,715	\$ 1,292	\$ 1,328	9,672
Deduct: Actual Indirect Labor - Terrebonne	274	187	102	93	656
Actual Indirect Labor - Extrusion & Compounding (C)	\$ 4,064	\$ 2,527	\$ 1,190	\$ 1,235	\$ 9,016
Indirect Labor Savings - Extrusion & Compounding - FAV(UNF)					
Actual vs. Budget [(A) - (C)]	\$ (3)	\$ 1,584	\$ 136	\$ 90	\$ 1,808
Actual vs. Budget (Flexed for Actual Volume) [(B) - (C)]	\$ (13)	\$ 1,252	\$ 133	\$ 124	\$ 1,486
SG&A Labor - Consolidated:					
Budget SG&A Labor	\$ 2,519	\$ 2,486	\$ 897	\$ 840	6,742
Actual SG&A Labor	\$ 2,380	\$ 1,594	\$ 744	\$ 760	5,478
SG&A Labor Savings - FAV(UNF)	\$ 139	\$ 892	\$ 153	\$ 79	\$ 1,264

Note: Direct Labor includes Full Time and Casual/Temp Labor

Strategic Plan Update – Summary of Labor Initiative (Cont'd)

(In Thousands of US Dollars)

	Q1-20	Q2-20	Jul-20	Aug-20	YTD
Budget Production Volume (Lbs)	23,879	26,929	8,670	8,857	68,335
Budget Direct Labor - Consolidated	\$ 4,202	\$ 4,639	\$ 1,471	\$ 1,541	11,853
Deduct:					
Budget Direct Labor - Terrebonne	\$ 675	\$ 853	314	\$ 294	2,136
Budget Total Labor - Extrusion & Compounding	<u>\$ 3,528</u>	<u>\$ 3,786</u>	<u>\$ 1,157</u>	<u>\$ 1,246</u>	<u>\$ 9,718</u>
Budget Direct Labor \$ / Lb Manufactured	\$ 0.148	\$ 0.141	\$ 0.133	\$ 0.141	\$ 0.142
Actual Production Volume (Lbs)	23,571	16,055	8,565	9,983	58,174
Actual Direct Labor - Consolidated	\$ 4,096	\$ 2,534	\$ 1,491	\$ 1,528	9,650
Deduct:					
Actual Direct Labor - Terrebonne	\$ 630	\$ 468	339	\$ 310	1,746
Actual Direct Labor - Extrusion & Compounding	<u>\$ 3,467</u>	<u>\$ 2,066</u>	<u>\$ 1,153</u>	<u>\$ 1,218</u>	<u>\$ 7,904</u>
Actual Direct Labor \$/Lb Manufactured	<u>\$ 0.147</u>	<u>\$ 0.129</u>	<u>\$ 0.135</u>	<u>\$ 0.122</u>	<u>\$ 0.136</u>
Budget Casual / Temp Direct Labor - Consolidated	\$ 220	\$ 477	\$ 162	\$ 159	1,017
Deduct:					
Budget Casual / Temp Direct Labor - Terrebonne	\$ 11	\$ 160	52	\$ 56	279
Budget Total Casual / Temp Labor - Extrusion & Compounding	<u>\$ 209</u>	<u>\$ 316</u>	<u>\$ 109</u>	<u>\$ 103</u>	<u>\$ 738</u>
Budget Casual / Temp Direct Labor \$ / Lb Manufactured	\$ 0.009	\$ 0.012	\$ 0.013	\$ 0.012	\$ 0.011
Actual Casual / Temp Direct Labor - Consolidated	\$ 320	\$ 186	\$ 211	\$ 219	936
Deduct:					
Actual Casual / Temp Direct Labor - Terrebonne	\$ 89	\$ 113	121	\$ 113	436
Actual Casual / Temp Direct Labor - Extrusion & Compounding	<u>\$ 231</u>	<u>\$ 73</u>	<u>\$ 90</u>	<u>\$ 106</u>	<u>\$ 500</u>
Actual Casual / Temp Direct Labor \$/Lb Manufactured	<u>\$ 0.010</u>	<u>\$ 0.005</u>	<u>\$ 0.010</u>	<u>\$ 0.011</u>	<u>\$ 0.009</u>

Executive Summary

Financial Review

Full Year Financial Outlook

Governance Reporting

Appendix

Business Unit Analysis

Key Customers – Gross Sales and Gross Margin %: Consolidated

	Gross Sales (\$'000)														Gross Margin %																							
	MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var		MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var							
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	\$	%	Act	Bud	BPs	%	Act	BPs	%	Act	Bud	BPs	%	Act	BPs	%							
Customer:																																						
PGT Industries Inc	\$	2,046	\$	1,988	\$	58	2.9%	\$	1,929	\$	117	6.1%	\$	15,723	\$	15,587	\$	136	0.9%	\$	15,190	\$	533	3.5%	27.1%	23.3%	387	16.6%	18.2%	893	49%	23.4%	21.0%	237	11.3%	14.9%	852	57.3%
Eclipse Shutter Systems		1,525		1,056		469	44.4%		1,086		439	40.4%		9,110		8,985		125	1.4%		9,060		51	0.6%	4.8%	2.0%	274	134.2%	6.6%	(181)	(27%)	4.3%	3.1%	117	37.7%	5.9%	(159)	(27.1%)
Simonton		787		884		(97)	(11.0%)		884		(97)	(11.0%)		5,437		6,337		(901)	(14.2%)		6,337		(901)	(14.2%)	14.0%	21.2%	(715)	(33.8%)	(16.0%)	3,002	(188%)	8.8%	11.8%	(299)	(25.3%)	(16.7%)	2,557	(152.8%)
Atis		975		1,073		(97)	(9.1%)		899		76	8.5%		5,415		6,493		(1,078)	(16.6%)		6,207		(792)	(12.8%)	(11.1%)	7.3%	(1,834)	(251.9%)	15.0%	(2,604)	(174%)	(14.7%)	(10.9%)	(383)	35.1%	9.1%	(2,378)	(262.7%)
Quaker Window Products		613		567		46	8.1%		517		96	18.7%		4,463		4,172		291	7.0%		3,762		701	18.6%	15.6%	63.7%	(4,813)	(75.5%)	11.4%	420	37%	10.9%	18.8%	(791)	(42.1%)	7.8%	303	38.6%
Polaris Technologies		381		520		(139)	(26.7%)		420		(39)	(9.3%)		2,973		4,035		(1,062)	(26.3%)		3,548		(575)	(16.2%)	18.9%	15.4%	347	22.5%	21.7%	(276)	(13%)	17.1%	14.4%	269	18.8%	20.2%	(315)	(15.6%)
All Weather		409		445		(36)	(8.1%)		407		2	0.4%		2,221		3,752		(1,531)	(40.8%)		3,132		(912)	(29.1%)	2.0%	48.9%	(4,685)	(95.9%)	12.0%	(999)	(83%)	1.2%	19.1%	(1,787)	(93.5%)	9.6%	(833)	(87.1%)
SOLARIS QUEBEC P & F INC.		326		413		(87)	(21.1%)		377		(51)	(13.5%)		2,380		3,011		(631)	(21.0%)		2,859		(479)	(16.7%)	25.5%	25.7%	(28)	(1.1%)	21.5%	396	18%	24.6%	24.7%	(19)	(0.8%)	15.9%	863	54.2%
Cascade		166		316		(151)	(47.6%)		274		(108)	(39.5%)		1,478		2,852		(1,374)	(48.2%)		2,538		(1,060)	(41.8%)	(31.5%)	(21.3%)	(1,029)	48.4%	9.9%	(4,140)	(420%)	(32.5%)	(18.8%)	(1,375)	73.2%	8.0%	(4,051)	(508.0%)
A.M.I.		328		450		(122)	(27.1%)		416		(88)	(21.1%)		1,920		2,597		(676)	(26.1%)		2,484		(564)	(22.7%)	17.0%	7.9%	910	115.1%	14.1%	287	20%	13.7%	9.3%	440	47.3%	12.5%	121	9.7%
Windsor Window Co OEM		452		390		62	16.0%		397		55	13.9%		3,360		2,861		499	17.4%		2,836		524	18.5%	20.0%	57.4%	(3,734)	(65.1%)	0.0%	2,001	N/A	19.7%	26.6%	(694)	(26.1%)	0.0%	1,970	N/A
Coeur d'Alene		439		402		37	9.1%		358		81	22.6%		2,809		2,449		361	14.7%		2,180		630	28.9%	10.1%	7.2%	295	40.9%	7.0%	310	44%	1.6%	2.6%	(92)	(36.0%)	5.1%	(347)	(68.0%)
Vinyl-Pro Window Systems Inc		396		357		39	10.9%		354		42	11.9%		1,902		2,237		(335)	(15.0%)		2,197		(296)	(13.5%)	6.2%	74.8%	(6,858)	(91.7%)	8.8%	(257)	(29%)	2.2%	17.8%	(1,561)	(87.4%)	5.3%	(305)	(57.6%)
Dashwood Industries Inc		262		341		(79)	(23.1%)		311		(49)	(15.9%)		2,295		2,058		237	11.5%		2,085		210	10.1%	8.7%	42.5%	(3,382)	(79.6%)	16.9%	(817)	(48%)	13.2%	16.0%	(288)	(18.0%)	19.5%	(629)	(32.3%)
ATLANTIC WINDOWS		20		29		(9)	(31.6%)		22		(2)	(10.9%)		180		167		13	7.8%		183		(3)	(1.8%)	27.9%	(1.1%)	2,903	(2636.5%)	15.1%	1,279	84%	25.0%	9.2%	1,583	172.8%	11.9%	1,306	109.4%
Ostaco 2000		211		306		(96)	(31.2%)		305		(94)	(30.8%)		1,469		1,783		(314)	(17.6%)		2,036		(567)	(27.8%)	(6.4%)	17.6%	(2,400)	(136.6%)	19.6%	(2,600)	(133%)	7.4%	2.8%	460	164.7%	19.1%	(1,167)	(61.2%)
Sierra Pacific Windows		292		255		37	14.5%		234		58	24.8%		2,100		2,005		95	4.7%		1,805		295	16.3%	16.1%	9.2%	689	74.8%	0.1%	1,599	13944%	12.2%	10.9%	128	11.7%	(0.9%)	1,304	(1533.6%)
PORTES & FENETRES ABRITEK		302		343		(41)	(11.9%)		288		14	4.8%		1,442		1,789		(347)	(19.4%)		1,813		(371)	(20.5%)	16.4%	24.8%	(840)	(33.9%)	19.8%	(343)	(17%)	13.2%	19.6%	(641)	(32.6%)	19.6%	(634)	(32.4%)
Vinyl Profiles, LLC		97		228		(131)	(57.5%)		195		(98)	(50.3%)		1,303		1,873		(570)	(30.4%)		1,806		(503)	(27.8%)	20.6%	8.7%	1,187	135.6%	15.8%	486	31%	20.9%	18.5%	235	12.7%	3.6%	1,730	483.2%
SCHLUTER SYSTEMS L.P.		183		247		(65)	(26.2%)		244		(62)	(25.2%)		1,926		1,611		316	19.6%		1,550		376	24.3%	16.7%	24.6%	(782)	(31.9%)	3.2%	1,351	419%	22.0%	22.2%	(17)	(0.8%)	5.0%	1,702	339.5%
Other		6,531		5,767		764	13.2%		5,867		664	11.3%		35,193		38,008		(2,814)	(7.4%)		36,751		(1,557)	(4.2%)	31.4%	9.4%	2,203	233.9%	25.4%	608	24%	25.0%	21.1%	386	18.3%	27.5%	(249)	(9.1%)
Total Gross	\$	16,739	\$	16,377	\$	362	2.2%	\$	15,784	\$	955	6.0%	\$	105,100	\$	114,661	\$	(9,562)	(8.3%)	\$	110,360	\$	(5,260)	(4.8%)	19.5%	17.9%	162	9.0%	15.8%	367	23%	15.3%	17.1%	(181)	(10.6%)	16.0%	(68)	(4.2%)

Management Discussion

- PGT – Continues its strong momentum
- Eclipse strong month bringing YTD vs budget to positive
- Atis slightly behind budget.
- Lower demand from All weather, Polaris, Solaris, AMI, Cascade, Ostaco and Vinyl profiles

Non-Top 20 Customers (YTD): Consolidated

<u>Customer</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Prior Year</u>	<u>Variance</u>
Compound	4,938	3,933	1,005	3,678	1,260
Lost	641	194	447	2,362	(1,721)
CAN	18,903	21,844	(2,941)	18,960	(57)
US	10,711	12,036	(1,325)	11,751	(1,040)
	35,193	38,008	(2,814)	36,751	(1,558)

Management Discussion

- New ECS business from Delcan, Nuform and Fence Outlet who buy on an ad-hoc basis hence unbudgeted. However still stronger than anticipated
- Lost business from Van Isle, Clera, SI, Wardco and Jeldwen accounting for majority of the shortfall from prior year
- CAN: Melco, Isothermic, President and Caron and Guay having soft sales, offset by positive contributions from Northerm, Oasis, Kohlteck/Seymore and Fenergie
- US: Soft sales by Brunswick, Lindsay, Regency, Whisper walls, International Aluminum and Atrium contributing to the decline offset by positive sales from JP Industries, GDIC, CGI and Coastal

Pipeline Roll-Forward

\$'000	Expected Contract Win Value	
	MTD	YTD
Opening Pipeline	\$ 51,660	\$ 60,978
Additions	–	14,032
Changes:		
Converted	–	(7,728)
Lost	–	(14,027)
Other	–	(1,595)
Total Net Changes	–	(23,350)
Closing Pipeline	\$ 51,660	\$ 51,660

Management Discussion

Pipeline Additions

\$'000														
Customer Name	Plant	Rep. Name	Existing Customer (Y/N)	Description of Opportunity	Segment	Date of Inclusion into Pipeline	Expected Date of Award/Close	Probability of Winning Award	Competitor(s)	Period of Contract		Expected Total Contract Value	Estimated Annual Volume ('000s Lbs)	Comments
										Start	End			
												\$ - 0		

Pipeline Conversion

\$'000											
Customer Name	Rep. Name	Existing Customer (Y/N)	Description	Name of Winner(s) / Loser(s)	Date of Conversion	Period of Contract		Expected Total Contract Value	Estimated Annual Volume ('000s Lbs)	Reason Code(s)	Comment
						Start	End				
CONVERTED											
								<div>\$- \$-</div>			
LOST											
								<div>\$- 0</div>			
OTHER											
								<div>\$- 0</div>			
<div>Reason Code for Win</div> <div><div>1. Price</div><div>2. Service/Support</div><div>3. Relationship</div><div>4. Incumbency</div><div>5. Product</div><div>6. No decision</div><div>7. Other (Explain in comment field)</div></div>											

Total Closing Pipeline – Current Extrusions and Patio Doors

\$ and units '000														
Customer Name	Total Contract Value		1x Costs	Contract Timing			Sales Process Status							Comments
	\$	Units ('000s Lbs)		Start Date	End Date	Length (Yrs)	Initial Interaction (5%)	Pursuit (15%)	Designing (25%)	Proposal (40%)	Negotiation (60%)	Finalizing Agreement (90%)	Signed Contract (100%)	
Existing Customers														
Coeur D'Alene	\$	500	350	\$	-	Dec-20	TBD	TBD						West Coast Contemporary
Polaris	\$	4,000	2,500	\$	-	TBD	TBD	TBD						Ultra-Weld
AMI	\$	192	-	\$	-	TBD	TBD	TBD						Custom Patio Doors-fully Assembled
Gentek	\$	2,308	1,700	\$	1,095	TBD	TBD	TBD						Full Program. Still waiting on decision. Gentek strategy is to run Veka and ENERGI and allow ENERGI to cannibilize Veka programs.
Hometime	\$	200	100	\$	75	TBD	TBD	TBD						Customer still reviewing casement
Eclipse	\$	1,538	1,200	\$	-	TBD	TBD	TBD						Light weight internet Shutter
Centennial	\$	115	75	\$	-	TBD	TBD	TBD						New Slider Frame
Futura	\$	77	50	\$	25	TBD	TBD	TBD						
Seymour Windows	\$	1,429	1,000	\$	241	TBD	TBD	TBD						Working on new formulation and design
Westek	\$	77	50	\$	-	TBD	TBD	TBD						Multi-Track Door
Cascade	\$	16,500	15,000	\$	-	TBD	TBD	TBD						Launch Hung/Slidr other locations
Magistral	\$	1,538	1,000	\$	-	TBD	TBD	TBD						4600 Series with some custom
ATI	\$	500	300	\$	450	TBD	TBD	TBD						West Coast Contemporary series (shared capital)
Gentek	\$	1,538	-	\$	-	TBD	TBD	TBD						Patio Door program
Dalmen	\$	192	125	\$	-	TBD	TBD	TBD						Opera lineal program from Soni Plastics
Entreprises AM	\$	577	350	\$	-	TBD	TBD	TBD						4600 Series
Euroclad Windows	\$	100	50	\$	-	TBD	TBD	TBD						Multi Track Door
Mason Windows	\$	192	160	\$	-	TBD	TBD	TBD						Contemporary Casement
Durabuilt	\$	385	250	\$	-	TBD	TBD	TBD						4600 Series
All Weather	\$	192	50	\$	-	TBD	TBD	TBD						Orchestra
All Weather	\$	769	500	\$	-	TBD	TBD	TBD						4600 Series
TOTAL EXISTING CUSTOMERS														
	\$	32,919	\$	24,810	\$	1,886								
Legend														
														Complete
														In process, on track
														In process, delayed
														In process, at risk

Total Closing Pipeline – New Extrusions and Patio Doors

\$ and units '000															
Customer Name	Total Contract Value			1x Costs	Contract Timing			Sales Process Status							Comments
	\$	Units ('000s Lbs)			Start Date	End Date	Length (Yrs)	Initial Interaction (5%)	Pursuit (15%)	Designing (25%)	Proposal (40%)	Negotiation (60%)	Finalizing Agreement (90%)	Signed Contract (100%)	
New Customers															
Gilkey	\$	600	370	\$	400	TBD	TBD	TBD							In final stages; seeking 5 year agreement
Fenetres Contemporaine	\$	58	\$	75	\$	-	TBD	TBD	TBD						Hybrid Casement
Roberge	\$	1,095	\$	750	\$	-	TBD	TBD	TBD						4600 Series
Reflec	\$	154	\$	200	\$	-	TBD	TBD	TBD						Patio Door Program
Del Windows	\$	731	\$	-	\$	-	TBD	TBD	TBD						Patio Door Program
Del Windows	\$	1,538	\$	1,000	\$	-	TBD	TBD	TBD						Woodbridge Platform
Atelier Jean Cyr	\$	38	\$	50	\$	-	TBD	TBD	TBD						Hybrid hung
Verdun	\$	769		500	\$	-	TBD	TBD	TBD						4600 Casement
Elite	\$	308		200	\$	-	TBD	TBD	TBD						In early discussions
Formtech	\$	231		100	\$	-	TBD	TBD	TBD						Tilt/Turn, 4600 Series
Scheel	\$	308		175	\$	100	TBD	TBD	TBD						Prospect wants to switch away from PH Tech - dissatisfied
Minnkota Window	\$	1,500		850	\$	-	TBD	TBD	TBD						Casement SH/DH
Diamond	\$	1,000		700	\$	-	TBD	TBD	TBD						3 1/4" Program
Bonnecherre Valley	\$	115		75	\$	-	TBD	TBD	TBD						T/T, CA, Hung
Gilkey Windows	\$	500		3,600	\$	-	TBD	TBD	TBD						Patio Door
Gilkey Windows	\$	750		600	\$	-	TBD	TBD	TBD						DH
Amerimax	\$	350		-	\$	-	TBD	TBD	TBD						Opus PD
Thermovision	\$	115		75	\$	-	TBD	TBD	TBD						Hung/Slider Hybrid
Wasco	\$	400		225	\$	-	TBD	TBD	TBD						Casement/SH/DH (Rehau)
Yellow Dog	\$	3,750		3,000	\$	-	TBD	TBD	TBD						5000 Series
SI	\$	2,308		2,500	\$	-	TBD	TBD	TBD						Recut tools in Dark Cap
Pollard Windows	\$	1,538			\$	-	TBD	TBD	TBD						Patio Doors
Maritime	\$	385		250	\$	-	TBD	TBD	TBD						Early discussions
TOTAL NEW CUSTOMERS															
Total Extrusion and Patio Doors															
Legend															
Complete															
In process, on track															
In process, delayed															
In process, at risk															

Total Closing Pipeline – ENERGI Compound Solutions (ECS) External Sales

\$ and units '000															
Customer Name	Total Contract Value			1x Costs	Contract Timing			Sales Process Status							Comments
	\$	Units ('000s Lbs)			Start Date	End Date	Length (Yrs)	Initial Interaction (5%)	Pursuit (15%)	Designing (25%)	Proposal (40%)	Negotiation (60%)	Finalizing Agreement (90%)	Signed Contract (100%)	
Existing Customers															
TOTAL EXISTING CUSTOMERS	\$	-	-	\$	-										
New Customers															
Mor-X Plastics	\$	200	200	\$	-	TBD	TBD	TBD	<div><div></div><div></div><div></div><div></div><div></div></div>					Formulation approved	
TOTAL NEW CUSTOMERS	\$	200	\$	200	\$	-									
Total External Compound Sales	\$	200	200	\$	-										
TOTAL SALES PIPELINE	\$	51,660	40,305	\$	2,386										
Legend															
<div><div></div>Complete</div> <div><div></div>In process, on track</div> <div><div></div>In process, delayed</div> <div><div></div>In process, at risk</div>															

YTD Opex Analysis

\$'000

	YTD			Explanation of Variance					Variance Impact		
	Act	Bud	Variance (B) / W	One-Time / Non-recurring	Timing	Change in Run-rate	Other/FX		Total Variance (B) / W	YoY Impact (B) / W	Annualized (B) / W
Payroll	\$ 5,478	\$ 6,742	\$ (1,264)	\$ (112)	\$ -	\$ (1,091)	(60)		\$ (1,264)	\$ (1,311)	\$ -
Bonus	\$ 285	\$ 493	\$ (208)	\$ (45)	\$ -	\$ (160)	(3)		(208)	\$ (612)	-
Commissions	\$ 165	\$ 181	\$ (16)	\$ 17	\$ -	\$ (31)	(3)		(16)	\$ 3	-
Marketing	\$ 578	\$ 713	\$ (135)	\$ (98)	\$ -	\$ (27)	(10)		(135)	\$ (324)	-
Benefits	\$ (854)	\$ -	\$ (854)	\$ -	\$ -	\$ (854)	-		(854)	\$ (854)	-
Travel and entertainment	\$ 214	\$ 750	\$ (536)	\$ (161)	\$ -	\$ (373)	(2)		(536)	\$ (502)	-
Rent and facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-		-	\$ -	-
Business and Realty taxes	\$ 180	\$ 231	\$ (51)	\$ -	\$ -	\$ (51)	0		(51)	\$ (33)	-
Professional fees	\$ 385	\$ 401	\$ (15)	\$ 12	\$ -	\$ (21)	(7)		(15)	\$ (19)	-
Office expense	\$ 137	\$ 171	\$ (34)	\$ (32)		\$ -	(2)		(34)	\$ (35)	-
IT	\$ 1,087	\$ 1,260	\$ (174)	\$ (153)	\$ -	\$ (2)	(19)		(174)	\$ (180)	-
Bad Debts	\$ 61	\$ (2)	\$ 63	\$ 62	\$ -	\$ -	1		63	\$ (36)	-
FX	\$ (84)	\$ -	\$ (84)	\$ -	\$ -	\$ -	(84)		(84)	\$ 39	-
JV Loss (Income)	\$ (150)	\$ (65)	\$ (85)	\$ -	\$ -	\$ (84)	(1)		(85)	\$ (23)	-
Other Expenses	\$ 455	\$ 679	\$ (224)	\$ (217)		\$ -	(7)		(224)	\$ (152)	-
Total Opex	\$ 7,937	\$ 11,553	\$ (3,616)	\$ (725)	\$ -	\$ (2,694)	\$ (197)		\$ (3,616)	\$ (4,038)	\$ -

Management Discussion

- Lower payroll largely due layoffs and lower wages as a result of measures taken to manage the drop in business caused by Covid-19 as well as wage subsidies received in Canada. Subsequent to Q2 the wage subsidies are shown under Benefits.
- Lower bonus caused by change in estimate
- Marketing expenses lower due to cancellation of Platinum Trip and cut down of marketing expenses in general
- Travel and entertainment greatly reduced as a result of global travel restrictions caused by Covid-19
- Business and realty taxes lower vs estimate by \$50k
- Lower IT as a result of fee negotiation and free period for certain subscriptions as well as delay on certain budgeted expenses.
- Top up of Bad Debts provision to cover Ontario and Quebec exposures (Accord, Qualum)
- Other expenses lower due to lower costs from R&D consultant at ECS, lower expenditure on product development and lower expenditure in general to reduce costs offset by Bank of America audit review fee

1x Costs

\$'000

	YTD			Explanation of Variance			Variance Impact	
	Variance			Change in			Total Variance	Total Change in Estimate
	Act	AOP	B / (W)	Estimate	Timing	Other	B / (W)	B / (W)
Banking	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Environmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
IT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Fees	\$ 61	\$ -	\$ (61)	\$ -	\$ -	\$ (61)	(61)	\$ -
Professional Fees	\$ 43	\$ -	\$ (43)	\$ -	\$ -	\$ (43)	(43)	\$ -
Project Panther	\$ 132	\$ -	\$ (132)	\$ -	\$ -	\$ (132)	(132)	\$ -
Project DB&A	\$ 400	\$ 486	\$ 86	\$ 2	\$ -	\$ 84	86	\$ 2
Employee Restructuring Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ (62)	\$ -	\$ 62	\$ -	\$ -	\$ 62	62	\$ -
Total 1X Costs	\$ 575	\$ 486	\$ (89)	\$ 2	\$ -	\$ (89)	\$ (89)	\$ 2

Management Discussion

- Legal Consulting for CERB, Covid-19 issues and Project Panther \$61K with Blake Cassels
- Professional Fees include costs incurred for the following projects:
 - Freight and logistics initiative with Smart Ventures of \$12K;
 - Executive Coaching from Management Tools Inc. of \$15K;
 - Consulting from Lewis Lee Consultants of \$14K
 - OBI Projects with Practical Approach \$2K;
- Woodbridge Productivity Improvement initiative with DB&A of \$400K;
- Project Panther costs of \$133K which include Beckway charges of \$108K and Merril Inc of \$25K (for VDR)
- Others include refund of WSIB NEER premium for Woodbridge \$34K, 2016 Title insurance refund of \$24K and Laval Water Damage Claim refund of \$4K

Balance Sheet

\$'000	Dec-19 Act	May-20 Act	Jun-20 Act	Jul-20 Act	Aug-20		Variance	
					Act	Bud	\$	%
Current Assets								
Cash and cash equivalents	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 0	17.3%
Short term investments	—	—	—	—	—	—	—	N/A
<i>Accounts receivable, gross</i>	9,246	10,188	13,857	13,841	15,220	14,607	613	4.2%
<i>Accounts receivable, reserves</i>	(561)	(591)	(596)	(607)	(623)	(472)	(151)	31.9%
Accounts receivable, net	8,685	9,597	13,261	13,234	14,597	14,135	462	3.3%
<i>Inventory, gross</i>	31,428	26,251	23,942	22,629	23,214	32,594	(9,379)	(28.8%)
<i>Inventory, reserves</i>	(2,031)	(1,612)	(1,616)	(1,613)	(1,771)	(2,005)	233	(11.6%)
Inventory, net	29,397	24,639	22,326	21,016	21,443	30,589	(9,146)	(29.9%)
Prepaid expenses and other current assets	3,221	2,898	4,129	4,229	3,848	3,856	(8)	(0.2%)
Other current assets	835	1,272	1,101	1,521	1,812	889	923	103.9%
Total Current Assets	42,141	38,409	40,819	40,003	41,703	49,471	(7,768)	(15.7%)
Non-Current Assets								
<i>Property, plant & equipment, gross</i>	73,423	72,300	72,871	73,719	75,007	77,638	(2,631)	(3.4%)
<i>Accumulated depreciation</i>	(27,272)	(30,198)	(31,114)	(32,224)	(33,547)	(33,103)	(445)	1.3%
Property, plant & equipment, net	46,151	42,103	41,757	41,495	41,459	44,535	(3,076)	(6.9%)
Deferred financing cost	399	319	307	297	288	280	8	2.7%
Deferred tax asset	4,942	4,468	4,502	4,569	4,672	1,344	3,328	247.7%
Other non-current assets	2,863	2,755	2,824	2,901	3,006	2,784	222	8.0%
Total Non-Current Assets	54,354	49,645	49,390	49,261	49,425	48,943	482	1.0%
Total Assets	\$ 96,495	\$ 88,054	\$ 90,209	\$ 89,265	\$ 91,128	\$ 98,414	\$ (7,286)	(7.4%)
Current Liabilities								
Bank Debt	\$ 14,452	\$ 5,539	\$ 7,345	\$ 3,827	\$ 929	\$ 19,511	\$ (18,582)	(95.2%)
Current Portion - Long Term Debt	1,690	1,615	1,626	1,650	1,686	1,662	24	1.4%
Accounts payable	12,674	19,198	17,797	18,204	20,080	15,584	4,496	28.8%
Accrued liabilities	2,752	3,088	2,993	3,253	3,623	3,489	135	3.9%
Accrued compensation	2,007	3,290	3,132	3,558	4,074	3,166	908	28.7%
Income taxes payable	(288)	(350)	(170)	(204)	(10)	655	(665)	(101.5%)
Contingent consideration	—	—	—	—	—	—	—	N/A
Other current liabilities	111	71	69	68	33	157	(124)	(79.1%)
Total Current Liabilities	33,399	32,450	32,792	30,355	30,415	44,224	(13,809)	(31.2%)
Long-term liabilities								
Long-term debt less current maturities	10,799	9,618	9,555	9,563	9,643	9,498	145	1.5%
Deferred income taxes	10,827	10,322	10,361	10,437	10,555	9,456	1,099	11.6%
Other non-current liabilities	1,618	1,536	1,599	1,628	1,672	1,483	189	12.7%
Total Long-Term Liabilities	23,244	21,476	21,515	21,629	21,870	20,437	1,432	7.0%
Total Liabilities	56,643	53,926	54,308	51,984	52,284	64,661	(12,377)	(19.1%)
Commitments and contingencies	—	—	—	—	—	—	—	N/A
Shareholders' Equity								
Common stock	12,610	12,610	12,610	12,610	12,610	12,610	0	0.0%
Retained earnings	28,058	22,637	24,415	25,749	27,209	22,130	5,079	22.9%
Accumulated other comprehensive income	(816)	(1,119)	(1,124)	(1,078)	(975)	(987)	12	(1.2%)
Total Shareholders' Equity	39,852	34,127	35,901	37,281	38,844	33,753	5,091	15.1%
Total Liabilities and Shareholders' Equity	\$ 96,495	\$ 88,054	\$ 90,209	\$ 89,265	\$ 91,128	\$ 98,414	\$ (7,286)	(7.4%)

Management Discussion

- Net A/R vs. Budget up by \$462k (3.3%) due to higher sales vs budget in recent months. This was further impacted by a favorable F/X impact of \$199k (actual rate of 1.307 [or USD\$ 0.77] vs. the Budget rate of 1.33 [or USD\$ 0.75])
- Inventory levels lower vs budget (29.9% or \$9,146k) on account of limited production impacted by Covid-19 and selling more out of the inventory due to spike in orders slightly offset by a favorable F/X impact of \$241K (actual rate of 1.307 [or USD\$ 0.77] vs. the Budget rate of 1.33 [or USD\$ 0.75])
- Prepaid expenses in line with budget
- PPE lower 6.9% or \$3,076k on account of lower Capex expenditure due to delay/hold off strategy due to Covid-19 impact slightly offset by a favorable F/X impact of \$326K (actual rate of 1.307 [or USD\$ 0.77] vs. the Budget rate of 1.33 [or USD\$ 0.75])
- Deferred tax assets higher vs budget following review of 2019 year end balances by MNP.
- Decrease in exposure with Bank vs budget by 95% or \$ \$18,414k due to reduction in borrowing due to increase in A/P (delayed payments) and lower Capex
- Increase in Accounts Payables vs budget by 28.8% or \$4,496 on account of holding of a few large ticket payments as part of cash flow management
- Accrued compensation higher vs budget by 28.7% or \$908k on account of US Health insurance not yet vouchered

Cash Flow Statement

\$'000	MTD		Variance		PY-MTD		Variance		YTD		Variance		PY YTD		Variance									
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	ACT	\$	%										
Cash flow from operations																								
Net Income (Loss)	\$	1,460	\$	251	\$	1,209	480.9%	\$	(410)	\$	1,870	(456.1%)	\$	(888)	\$	(2,773)	\$	1,885	(68.0%)	\$	(2,934)	\$	2,047	(69.7%)
Depreciation, amortization and other		782		828		(46)	(5.5%)		768		14	1.8%		6,204		6,399		(194)	(3.0%)		5,855		350	6.0%
Non-cash loss/expense (gain)		(187)		196		(383)	(195.5%)		83		(270)	(324.9%)		(242)		158		(400)	(253.6%)		(61)		(181)	299.1%
Deferred income tax		15		–		15	N/A		(43)		58	(134.1%)		260		(1,117)		1,377	(123.3%)		104		157	151.3%
Change in operating assets and liabilities:																								
Accounts receivable		(1,363)		238		(1,601)	(672.7%)		(112)		(1,251)	1115.4%		(5,911)		(5,450)		(462)	8.5%		(4,713)		(1,198)	25.4%
Inventory		(427)		976		(1,403)	(143.8%)		342		(769)	(224.7%)		7,953		(1,192)		9,146	(767.0%)		(2,054)		10,008	(487.2%)
Prepaid expenses and other current assets		90		334		(244)	(73.1%)		316		(226)	(71.5%)		(1,604)		(689)		(916)	133.0%		(1,124)		(480)	42.7%
Accounts payable		1,876		(1,083)		2,959	(273.2%)		(648)		2,524	(389.4%)		7,406		2,910		4,496	154.5%		1,789		5,617	314.0%
Accrued expenses		886		602		284	47.3%		635		251	39.6%		2,939		1,896		1,043	55.0%		1,718		1,220	71.0%
Accrued income taxes		195		94		101	107.5%		40		155	386.2%		278		943		(665)	(70.5%)		332		(54)	(16.3%)
Other changes in operating assets and liabilities		(35)		(0)		(34)	8132.0%		(5)		(30)	662.7%		(78)		46		(124)	(270.9%)		25		(104)	(411.7%)
Other cash flow from operations		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A
Total Cash Flow from Operations	\$	3,291	\$	2,435	\$	857	35.2%	\$	966	\$	2,325	240.6%	\$	16,316	\$	1,131	\$	15,186	1343.0%	\$	(1,064)	\$	17,380	(1633.5%)
Cash flow from investing																								
Additions to property, plant and equipment	\$	(253)	\$	(556)	\$	303	(54.5%)	\$	(386)	\$	133	(34.5%)	\$	(1,702)	\$	(5,082)	\$	3,380	(66.5%)	\$	(4,499)	\$	2,797	(62.2%)
Earnout payments		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A
Other cash flow from investing		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A
Total Cash Flow from Investing	\$	(253)	\$	(556)	\$	303	(54.5%)	\$	(386)	\$	133	(34.5%)	\$	(1,702)	\$	(5,082)	\$	3,380	(66.5%)	\$	(4,499)	\$	2,797	(62.2%)
Cash flow from financing																								
Proceeds from the issuance (repayment) of short-term debt	\$	(2,898)	\$	(1,740)	\$	(1,158)	66.5%	\$	(442)	\$	(2,456)	556.0%	\$	(13,523)	\$	5,059	\$	(18,582)	(367.3%)	\$	6,674	\$	(20,197)	(302.6%)
Proceeds from the issuance of debt		0		–		0	N/A		(0)		0	(144.6%)		(0)		–		(0)	N/A		(0)		0	(99.5%)
Repayment of debt		(140)		(138)		(2)	1.4%		(139)		(2)	1.3%		(1,091)		(1,108)		17	(1.5%)		(1,108)		17	(1.5%)
Common stock cash dividends paid		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A
Other cash flow from financing		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A
Total Cash Flow from Financing	\$	(3,038)	\$	(1,879)	\$	(1,160)	61.7%	\$	(580)	\$	(2,458)	423.5%	\$	(14,614)	\$	3,951	\$	(18,566)	(469.9%)	\$	5,566	\$	(20,180)	(362.6%)
Effect of FX rates on cash and cash equivalents	\$	–	\$	–	\$	–	N/A	\$	–	\$	–	N/A	\$	–	\$	–	\$	–	N/A	\$	–	\$	–	N/A
Net change in cash	\$	0	\$	0	\$	0	77781%	\$	(0)	\$	0	(319.3%)	\$	(0)	\$	(0)	\$	0	(98.8%)	\$	3	\$	(3)	(100.2%)
Beginning cash		3		2		0	15.7%		3		(0)	(6.1%)		3		3		0	0.0%		0		3	815681.2%
Change in cash		0		0		0	77781%		(0)		0	(319.3%)		(0)		(0)		0	(98.8%)		3		(3)	(100.2%)
Ending cash	\$	3	\$	2	\$	0	17.2%	\$	3	\$	(0)	(4.4%)	\$	3	\$	2	\$	0	17.2%	\$	3	\$	(0)	(4.4%)

Covenant Analysis

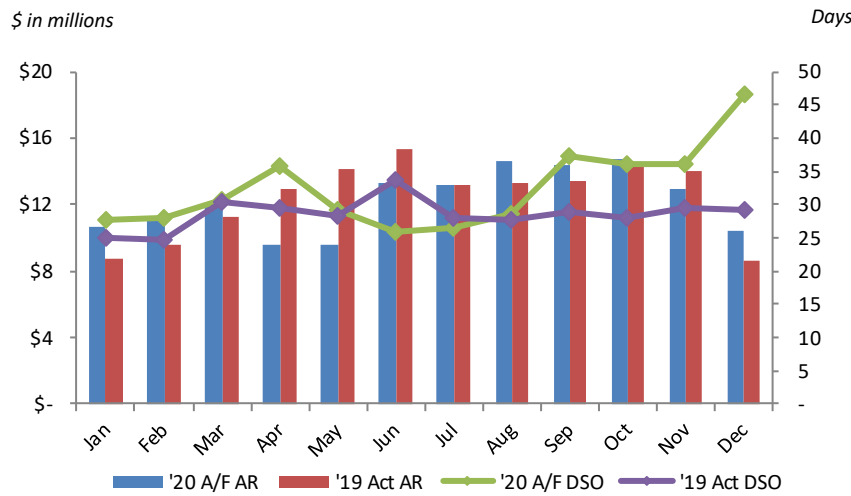
(US\$ '000s)	Act Dec-19	Act Jan-20	Act Feb-20	Act Mar-20	Act Apr-20	Act May-20	Act Jun-20	Act Jul-20	Act Aug-20	Fcst Sep-20	Fcst Oct-20	Fcst Nov-20	Fcst Dec-20
Excess Availability													
Borrowing Base	27,369	23,561	24,678	23,368	23,124	22,657	20,992	20,592	20,508	20,188	20,657	20,082	19,643
Total Revolver Debt	14,452	17,079	16,572	13,221	6,552	5,539	7,345	3,827	929	9,388	9,319	9,125	9,273
Excess Availability	12,917	6,482	8,106	10,147	16,572	17,118	13,647	16,765	19,579	10,800	11,338	10,957	10,370
EA % of Borrowing Base	47.2%	27.5%	32.8%	43.4%	71.7%	75.6%	65.0%	81.4%	95.5%	53.5%	54.9%	54.6%	52.8%
Minimum EA% (or <\$5.25M)	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Compliance	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
FCCR Calculation													
TTM EBITDA	10,545	10,249	9,560	8,953	8,185	7,917	8,714	10,550	12,479	11,552	10,969	9,604	8,650
Total Capex	672	228	219	237	116	233	241	175	253	338	339	338	331
IT separation Capex	-	-	-	-	-	-	-	-	-	-	-	-	-
Financed Capex	-	-	-	-	-	-	-	-	-	-	-	-	-
Capex, as calculated for FCCR	672	228	219	237	116	233	241	175	253	338	339	338	331
TTM Capex	6,807	6,546	6,234	5,911	5,579	5,293	4,729	4,143	4,010	3,848	3,665	3,389	3,048
Cash Taxes	650	1	-	-	8	-	-	148	-	-	-	-	-
TTM Cash Taxes	1,408	1,409	1,321	786	659	659	659	807	807	807	807	807	157
Numerator	2,329	2,293	2,004	2,256	1,947	1,964	3,326	5,600	7,662	6,897	6,497	5,408	5,445
Cash Interest on existing ABL	194	156	164	157	134	118	125	112	78	133	130	129	128
Cash Interest on additional debt	-	-	-	-	-	-	-	-	-	-	-	-	-
TTM Cash Interest	2,158	2,159	2,158	2,126	2,076	1,995	1,933	1,854	1,743	1,694	1,649	1,630	1,564
Principal Payments on additional debt	140	140	138	132	133	135	136	137	140	135	133	133	133
TTM Principal Payments	1,665	1,667	1,665	1,659	1,655	1,652	1,649	1,646	1,648	1,644	1,638	1,631	1,625
Denominator	3,823	3,825	3,823	3,784	3,730	3,647	3,582	3,500	3,391	3,338	3,286	3,261	3,188
FCCR Ratio	0.6	0.6	0.5	0.6	0.5	0.5	0.9	1.6	2.3	2.1	2.0	1.7	1.7
Minimum FCC	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Compliance	Breach	Breach	Breach	Breach	Breach	Breach	Breach	OK	OK	OK	OK	OK	OK

13-Week Cash Flow Forecast

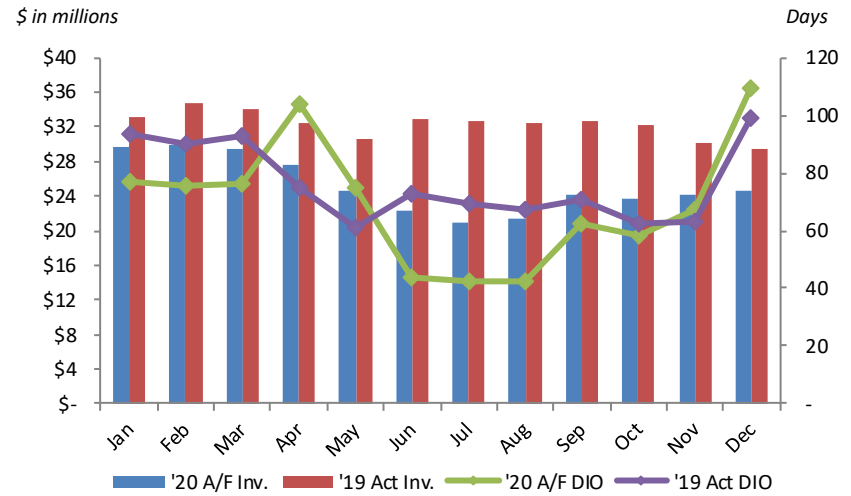
Date	09/04/20	09/11/20	09/18/20	09/25/20	10/02/20	10/09/20	10/16/20	10/23/20	10/30/20	11/06/20	11/13/20	11/20/20	11/27/20
Cash Flow Roll-Up:													
Total Inflows - Operational	2,342	2,356	2,023	1,989	1,989	2,551	2,511	2,641	2,711	2,620	2,081	1,837	1,783
Receipts from Customers based on AR	2,342	2,356	2,339	2,306	2,306	2,420	1,983	1,516	1,138	653	169	-	-
New Net External Sales	-	-	-	-	-	448	895	1,492	1,940	2,334	2,279	2,207	2,152
New Affiliate Sales	-	-	316	316	316	316	367	367	367	367	367	369	369
Total Outflows - Operational	(3,424)	(3,289)	(4,337)	(1,621)	(3,117)	(2,420)	(4,939)	(3,218)	(2,393)	(3,489)	(2,188)	(3,266)	(930)
Payments to Suppliers based on AP Aging	(1,027)	(1,163)	(1,129)	(944)	(914)	(854)	(854)	(802)	(892)	(892)	(892)	(892)	(301)
Materials	(790)	(795)	(103)	(787)	(1,099)	(179)	(491)	(689)	(727)	(613)	(613)	(531)	54
Conversion Costs	(698)	(953)	(399)	(847)	(760)	(947)	(508)	(827)	(453)	(1,580)	(398)	(1,259)	(398)
Other COGS	(125)	(124)	(124)	(160)	(125)	(149)	(149)	(191)	(148)	(124)	(124)	(63)	(124)
Selling Costs	(31)	(58)	(31)	(171)	(85)	(101)	(40)	(224)	(37)	(82)	(33)	(158)	(33)
General and Administrative	(61)	(105)	(61)	(138)	(71)	(126)	(80)	(423)	(72)	(134)	(65)	(299)	(65)
Intercompany Material Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Capex	(92)	(91)	(91)	(91)	(64)	(64)	(64)	(64)	(64)	(64)	(64)	(64)	(64)
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Resin rebate	0	0	0	0	0	0	0	0	0	0	0	0	0
TSA Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0
Performance Payment to Westlake	0	0	0	0	0	0	0	0	0	0	0	0	0
One Time Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Restructuring Charges	0	0	0	0	0	0	0	0	0	0	0	0	0
Bonus payment	0	0	0	0	0	0	0	0	0	0	0	0	0
Material received but not invoiced	(600)	0	(2,397)	1,518	0	0	(2,753)	0	0	0	0	0	0
Projected Operational Cash Flow	(1,082)	(933)	(2,314)	368	(1,127)	131	(2,428)	(577)	319	(869)	(107)	(1,429)	853
Cash receipts more (less) than projection	1,135	1,230	2,491	0	0	0	0	0	0	0	0	0	0
Cash outflows less (more) than projection	456	(1,224)	(1,939)	0	0	0	0	0	0	0	0	0	0
(Adjustment)	0	0	0	0	0	0	0	0	0	0	0	0	0
(Adjustment)	0	0	0	0	0	0	0	0	0	0	0	0	0
(Adjustment)	175	0	0	0	0	0	0	0	0	0	0	0	0
Actual Operational Cash Flow	685	(927)	(1,763)	368	(1,127)	131	(2,428)	(577)	319	(869)	(107)	(1,429)	853
Bank interest	(63)	0	0	0	(162)	0	0	0	(8)	(155)	0	0	0
Bridge Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0
Term Loan	(140)	0	0	0	(140)	0	0	0	(19)	(120)	0	0	0
Monitoring Fees	0	0	0	0	(250)	0	0	0	0	0	0	0	0
Other Inflows/Outflows	1	0	(8)	0	0	0	0	0	0	0	0	0	0
Transaction Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Bank Fees	(3)	(0)	(9)	0	(3)	0	(9)	0	(3)	0	(4)	(4)	0
Total Financial Cash Flow	(205)	(0)	(18)	0	(555)	0	(9)	0	(30)	(276)	(4)	(4)	0
Total Cash Flow	480	(927)	(1,780)	368	(1,682)	131	(2,437)	(577)	289	(1,145)	(111)	(1,433)	853
Adjusted Loan Balance	3,022	3,022	3,022	4,173	5,855	5,723	8,161	8,738	8,449	9,594	9,705	11,138	10,285
Term Loan	11,146	11,101	11,120	11,120	10,980	10,980	10,980	10,980	10,961	10,841	10,841	10,841	10,841
Total Debt	14,169	14,123	14,142	15,293	16,835	16,704	19,141	19,718	19,410	20,434	20,545	21,978	21,126
Revolver Availability	17,358	17,299	18,285	17,135	15,453	15,584	13,147	11,614	11,902	10,757	10,646	8,873	9,726
Revolver Availability (with Cash on Hand)	19,892	18,895	18,103	18,471	16,789	16,920	14,483	12,950	13,238	12,093	11,982	10,209	11,062
Debt Per Loan Ledger	14,169	14,123	14,142	15,293	16,835	16,704	19,141	19,718	19,410	20,434	20,545	21,978	21,126

Working Capital and Cash Conversion Cycle

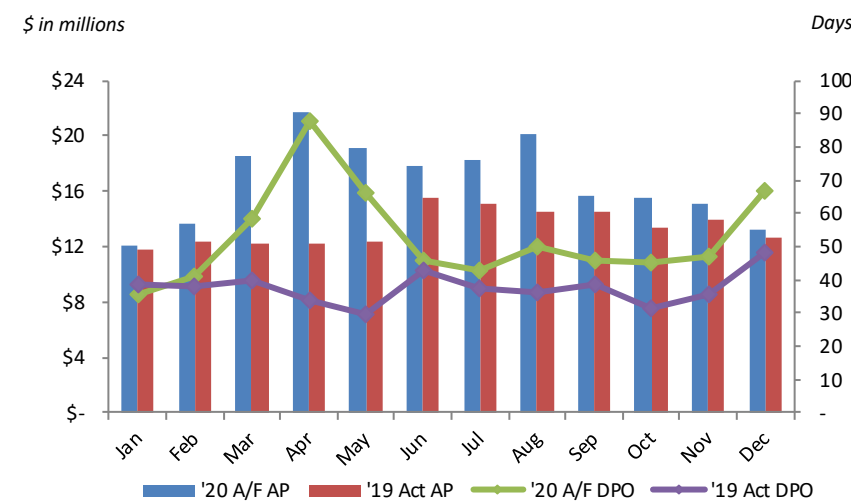
Accounts Receivable



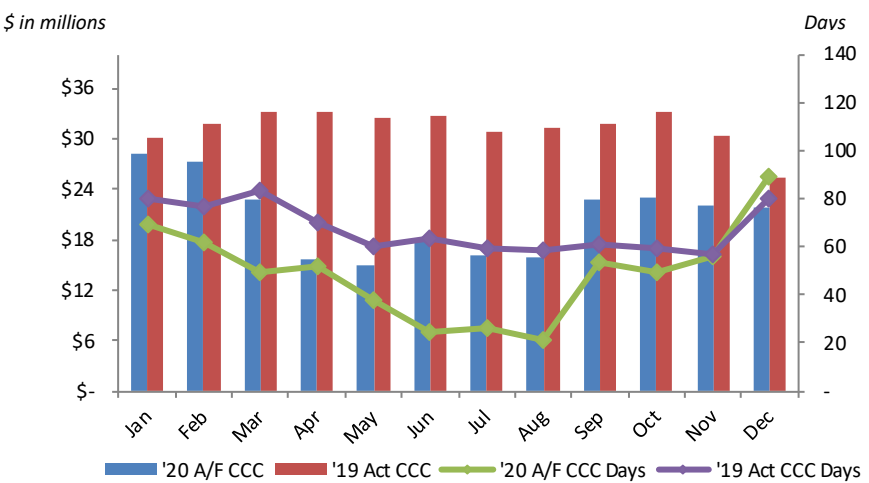
Inventory



Accounts Payable



Cash Conversion Cycle



AR and AP Aging Detail

\$'000

AR Aging				
Days	Jun-20	Jul-20	Aug-20	%
0-30	\$ 11,748	\$ 12,169	\$ 12,793	87.6%
30-60	1,142	516	1,129	7.7%
60-90	(126)	207	342	2.3%
>90	497	342	333	2.3%
Total	\$ 13,261	\$ 13,234	\$ 14,597	100.0%

AP Aging				
Days	Jun-20	Jul-20	Aug-20	%
0-30	\$ 10,322	\$ 10,596	\$ 11,198	55.8%
30-60	2,530	5,421	6,843	34.1%
60-90	2,603	1,521	1,506	7.5%
>90	2,341	666	533	2.7%
Total	\$ 17,797	\$ 18,204	\$ 20,080	100.0%

Management Discussion

A/R Aging:

- Slight increase DSO days from 27 to 29 following increase in current balances due to increased sales
- Significant improvement in A/R collections from Q1
 - 87.6% in the 0-30 days category @ Aug-20
 - 77.2% in the 0-30 days category @ Mar-20

A/P Aging:

- Increase in DPO days from 43 to 50 following hold up of recent large ticket payments as part of cash flow management.

Executive Summary

Financial Review

Full Year Financial Outlook

Governance Reporting

Appendix

Business Unit Analysis

Full Year Outlook Consolidated P&L Summary

\$'000	FY		Var		PY	Var	
	Fsct	Bud	\$	%	Act	\$	%
Units Produced ('000)	84,775	99,042	(14,267)	(14.4%)	97,151	(12,376)	(12.7%)
Units Shipped ('000)	87,634	99,426	(11,792)	(11.9%)	96,500	(8,867)	(9.2%)
Bookings (\$'000)	\$ 155,198	\$ 173,296	\$ (18,098)	(10.4%)	\$ 162,586	\$ (7,387)	(4.5%)
Backlog ('\$000)	\$ 8,870	\$ 8,450	\$ 420	5.0%	\$ 8,430	\$ 441	5.2%
Gross Revenue	\$ 149,668	\$ 173,563	\$ (23,895)	(13.8%)	\$ 166,852	\$ (17,183)	(10.3%)
Adj. to Gross Revenue	(7,707)	(9,009)	1,302	(14.5%)	(8,598)	891	(10.4%)
Net Revenue	141,961	164,554	(22,592)	(13.7%)	158,254	(16,292)	(10.3%)
Material	70,899	81,128	(10,228)	(12.6%)	77,754	(6,855)	(8.8%)
Labor	30,081	35,452	(5,371)	(15.2%)	35,294	(5,213)	(14.8%)
Other COGS	19,334	18,534	801	4.3%	18,632	702	3.8%
Total COGS	120,315	135,114	(14,799)	(11.0%)	131,680	(11,365)	(8.6%)
Gross Margin	21,647	29,440	(7,793)	(26.5%)	26,574	(4,927)	(18.5%)
Gross Margin %	15.2%	17.9%			16.8%		
R&D	—	—	—	N/A	—	—	N/A
Sales & Marketing	4,825	6,505	(1,679)	(25.8%)	6,659	(1,834)	(27.5%)
Administrative	8,933	11,012	(2,080)	(18.9%)	10,335	(1,403)	(13.6%)
Other Opex	(1,089)	(112)	(977)	869.1%	(291)	(798)	274.3%
Total Opex	12,669	17,405	(4,736)	(27.2%)	16,704	(4,035)	(24.2%)
EBITDA	8,978	12,036	(3,058)	(25.4%)	9,870	(892)	(9.0%)
EBITDA %	6.3%	7.3%			6.2%		
Net Income (Loss)	\$ (4,342)	\$ (3,497)	\$ (845)	24.2%	\$ (1,971)	\$ (2,371)	120.3%
Capex	\$ (3,048)	\$ (6,501)	\$ 3,453	(53.1%)	\$ (6,807)	\$ 3,759	(55.2%)
Opex Overview:							
Payroll	\$ 8,453	\$ 10,185	\$ (1,732)	(17.0%)	\$ 9,929	\$ (1,476)	(14.9%)
Bonus	370	740	(370)	(50.0%)	62	308	494.7%
Commissions	224	273	(49)	(18.1%)	247	(23)	(9.4%)
Marketing	862	1,098	(237)	(21.6%)	1,596	(734)	(46.0%)
Benefits	(854)	—	(854)	N/A	—	(854)	N/A
Travel and entertainment	415	1,145	(730)	(63.8%)	1,069	(655)	(61.2%)
Rent and facilities	—	—	—	N/A	—	—	N/A
Insurance	270	333	(62)	(18.7%)	317	(46)	(14.6%)
Professional fees	560	591	(31)	(5.2%)	671	(111)	(16.5%)
Office Expenses	215	261	(47)	(17.9%)	256	(41)	(16.2%)
IT	1,625	1,881	(256)	(13.6%)	1,860	(235)	(12.6%)
Bad Debts	60	(4)	63	(1756.2%)	174	(114)	(65.7%)
FX	(84)	—	(84)	N/A	(145)	61	(42.4%)
JV Loss (Income)	(151)	(112)	(39)	34.6%	(146)	(5)	3.7%
Other Expenses	705	1,013	(308)	(30.4%)	814	(109)	(13.4%)
Total Opex	\$ 12,669	\$ 17,405	\$ (4,736)	(27.2%)	\$ 16,704	\$ (4,035)	(24.2%)

Full Year Outlook Key Customers – ENERGI Consolidated

	Gross Sales (\$'000)									Gross Margin %									
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var			
	Act	Bud			\$	%	Act		\$	%	Act	Bud	BPs	%	Act	BPs	%		
Customer:																			
PGT Industries Inc	\$	21,834	\$	22,572	\$	(738)	(3.3%)	\$	21,951	\$	(117)	(0.5%)	21.4%	20.9%	43	2.0%	15.6%	576	36.9%
Eclipse Shutter Systems		13,840		13,715		125	0.9%		13,334		506	3.8%	3.5%	3.0%	54	18.2%	3.8%	(27)	(7.1%)
Simonton		7,500		9,500		(2,000)	(21.1%)		9,562		(2,062)	(21.6%)	9.6%	12.6%	(298)	(23.7%)	(15.4%)	2,500	(162.4%)
Atis		9,060		10,787		(1,727)	(16.0%)		9,467		(407)	(4.3%)	(14.8%)	(7.9%)	(687)	86.5%	8.6%	(2,343)	(271.6%)
Quaker Window Products		5,797		6,093		(296)	(4.9%)		5,858		(61)	(1.0%)	10.7%	22.9%	(1,214)	(53.1%)	9.1%	162	17.8%
Polaris Technologies		4,338		5,975		(1,637)	(27.4%)		5,042		(704)	(14.0%)	14.8%	14.2%	61	4.3%	20.8%	(604)	(29.0%)
All Weather		3,236		5,256		(2,020)	(38.4%)		4,545		(1,310)	(28.8%)	5.5%	23.6%	(1,811)	(76.7%)	9.9%	(437)	(44.3%)
SOLARIS QUEBEC P & F INC.		3,580		4,474		(894)	(20.0%)		4,265		(685)	(16.1%)	24.5%	24.7%	(20)	(0.8%)	16.2%	831	51.3%
Cascade		2,520		4,197		(1,677)	(40.0%)		3,716		(1,197)	(32.2%)	(23.8%)	(18.7%)	(505)	26.9%	8.8%	(3,258)	(370.4%)
A.M.I.		3,551		4,227		(676)	(16.0%)		3,628		(77)	(2.1%)	11.0%	8.8%	218	24.7%	12.6%	(161)	(12.8%)
Windsor Window Co OEM		4,161		3,952		209	5.3%		4,303		(142)	(3.3%)	20.2%	29.3%	(907)	(31.0%)	0.0%	2,024	N/A
Coeur d'Alene		3,657		3,755		(98)	(2.6%)		3,684		(27)	(0.7%)	2.1%	2.7%	(64)	(23.7%)	5.4%	(330)	(61.4%)
Vinyl-Pro Window Systems Inc		2,874		3,609		(736)	(20.4%)		3,328		(454)	(13.7%)	4.1%	25.6%	(2,143)	(83.9%)	5.9%	(180)	(30.4%)
Dashwood Industries Inc		3,455		3,562		(106)	(3.0%)		3,445		10	0.3%	11.5%	19.4%	(782)	(40.4%)	18.8%	(723)	(38.5%)
ATLANTIC WINDOWS		284		271		13	4.8%		245		39	15.9%	15.4%	7.3%	808	110.6%	12.3%	306	24.8%
Ostaco 2000		2,529		2,989		(460)	(15.4%)		3,019		(491)	(16.2%)	2.1%	5.1%	(305)	(59.4%)	15.4%	(1,334)	(86.5%)
Sierra Pacific Windows		2,836		2,886		(50)	(1.7%)		2,861		(25)	(0.9%)	11.6%	10.6%	99	9.3%	0.5%	1,114	2350.5%
PORTES & FENETRES ABRITEK		2,419		2,890		(471)	(16.3%)		3,175		(755)	(23.8%)	17.3%	20.2%	(291)	(14.4%)	16.0%	135	8.5%
Vinyl Profiles, LLC		1,806		2,748		(941)	(34.3%)		2,797		(991)	(35.4%)	21.0%	17.3%	363	20.9%	3.8%	1,721	458.8%
SCHLUTER SYSTEMS L.P.		2,604		2,400		204	8.5%		2,664		(61)	(2.3%)	21.0%	22.2%	(120)	(5.4%)	6.3%	1,470	234.5%
Other		47,788		57,704		(9,916)	(17.2%)		55,961		(8,173)	(14.6%)	24.7%	19.5%	519	26.6%	28.1%	(339)	(12.1%)
Total Gross	\$	149,668	\$	173,563	\$	(23,895)	(13.8%)	\$	166,852	\$	(17,183)	(10.3%)	14.7%	17.1%	(235)	(13.8%)	15.9%	(121)	(7.6%)

Management Discussion

- Low demand overall due to slow business and shutdowns as a result of Covid 19 during the 1st half of 2020
- PGT – Strong performance in Q1, however falling behind in Q2
- Eclipse – Strong sales in the beginning of the year and Q3
- Simonton, Atis, Polaris, All Weather and Cascade falling significantly behind budget

Executive Summary

Financial Review

Full Year Financial Outlook

Governance Reporting

Appendix

Business Unit Analysis

Management Governance Report

Disclosure Committee:

- Members include: CEO, CFO & VP Manufacturing
- Meeting held on September 8th, 2020
- Financial results were reviewed and found to be complete and accurate in all material respects
- CEO & CFO reviewed Board presentation separately and found to be complete

Anonymous Hotline:

- None

Modification of Delegation of Authority:

- No changes recommended at this time

Management Governance Report (Continued)

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:	None
D)	Any reports or complaints regarding accounting, internal accounting controls or auditing matters.	None

Executive Summary

Financial Review

Full Year Financial Outlook

Governance Reporting

Appendix

Squeeze Report

Monthly P&L

Monthly EBITDA to Net Income Bridge

Cost of Goods Sold Variance Analysis

Monthly Cost of Goods Sold by Component

Monthly Balance Sheet

Balance Sheet – Year on Year Comparison

Monthly Cash Flow

Trended Monthly Bookings

Trended Monthly Backlog

EBITDA and EBITDA-CapEx

Y-o-Y% EBITDA change

Capital Expenditures

Headcount Trending by Month

Headcount Hires and Attrition

Liquidity Forecast

Business Unit Analysis

Squeeze Report

Monthly operating report (\$'000)

		Fully-diluted ownership		Fund		Invested	Realized	Unrealized	Total Value	MOI	
Investment date	3/31/2016	OpenGate Equity	94.8%	OCGP I	\$	26,000	\$	–	\$	46,435	0.6x
Operational data as of	8/31/2020	MGMT	5.3%	OCGP II		–		–		–	NA
Valuation details last updated:	9/30/2019	Other Equity	0.0%	OCGP III		–		–		–	NA
		Total	100.0%	Total	\$	26,000	\$	–	\$	46,435	0.6x

Operations													
This Month Quarter to Date Year to Date	Net Revenue					Adj. EBITDA					Net Debt		
	Act	Bud	Variance	PY	Variance	Act	Bud	Variance	PY	Variance	Act	Bud	PY
	\$ 15,784	\$ 15,513	1.7%	\$ 14,926	5.8%	\$ 2,204	\$ 1,474	49.5%	\$ 949	132.2%	\$ 12,255	\$ 30,669	\$ 29,718
	\$ 31,186	\$ 30,608	1.9%	\$ 29,594	5.4%	\$ 4,196	\$ 2,905	44.4%	\$ 1,636	156.5%			
	\$ 99,954	\$ 108,900	-8.2%	\$ 104,927	-4.7%	\$ 8,349	\$ 8,234	1.4%	\$ 5,529	51.0%			

LTM Trends (\$'000s)	9/30/19	10/31/19	11/30/19	12/31/19	1/31/20	2/29/20	3/31/20	4/30/20	5/31/20	6/30/20	7/31/20	8/31/20	LTM
Units Produced ('000)	8,551	9,067	8,304	5,147	8,094	7,753	7,725	3,301	5,222	7,532	8,565	9,983	89,242
Units Shipped ('000)	8,508	9,699	8,621	5,458	7,842	6,982	7,690	5,019	6,548	9,246	9,550	9,628	94,792
Net Revenue	\$ 13,879	\$ 15,932	\$ 14,307	\$ 9,209	\$ 11,905	\$ 11,463	\$ 11,932	\$ 7,990	\$ 10,211	\$ 15,266	\$ 15,402	\$ 15,784	\$ 153,281
Gross Margin	2,638	2,711	2,633	1,088	1,525	1,904	2,043	575	1,253	3,548	2,171	3,268	25,356
Gross Margin %	19.0%	17.0%	18.4%	11.8%	12.8%	16.6%	17.1%	7.2%	12.3%	23.2%	14.1%	20.7%	16.5%
SG&A	1,630	1,569	934	595	1,443	1,282	1,424	949	806	791	179	1,064	12,666
Reported EBITDA	1,008	1,142	1,699	493	82	623	619	(374)	447	2,758	1,992	2,204	12,691
Rep. EBITDA %	7.3%	7.2%	11.9%	5.3%	0.7%	5.4%	5.2%	(4.7%)	4.4%	18.1%	12.9%	14.0%	8.3%
Adj. EBITDA	1,008	1,142	1,699	493	82	623	619	(374)	447	2,758	1,992	2,204	12,691
Adj. EBITDA %	7.3%	7.2%	11.9%	5.3%	0.7%	5.4%	5.2%	(4.7%)	4.4%	18.1%	12.9%	14.0%	8.3%
Capex	\$ (500)	\$ (522)	\$ (614)	\$ (672)	\$ (228)	\$ (219)	\$ (237)	\$ (116)	\$ (233)	\$ (241)	\$ (175)	\$ (253)	\$ (4,010)

Accounts Receivable, Net	\$ 13,414	\$ 14,460	\$ 14,004	\$ 8,685	\$ 10,663	\$ 11,029	\$ 11,843	\$ 9,578	\$ 9,597	\$ 13,261	\$ 13,234	\$ 14,597	\$ 14,597
Inventory, Net	32,765	32,143	30,246	29,397	29,656	29,866	29,466	27,673	24,639	22,326	21,016	21,443	21,443
Accounts Payable	14,476	13,366	13,935	12,674	12,013	13,603	18,599	21,714	19,198	17,797	18,204	20,080	20,080
CCC	\$ 31,703	\$ 33,238	\$ 30,315	\$ 25,408	\$ 28,306	\$ 27,292	\$ 22,711	\$ 15,536	\$ 15,038	\$ 17,790	\$ 16,046	\$ 15,960	\$ 15,960
DSO	29.0	28.1	29.4	29.2	27.8	27.9	30.8	36.0	29.1	26.1	26.6	28.7	34.8
DSI	70.8	62.5	63.4	99.0	77.2	75.6	76.6	103.9	74.8	43.9	42.3	42.1	51.1
DPO	38.6	31.3	35.8	48.4	35.9	41.3	58.3	87.8	66.4	45.6	42.7	49.7	57.3
C2C	61.2	59.3	57.0	79.8	69.1	62.2	49.0	52.0	37.5	24.4	26.3	21.0	28.5
Bank revolver	\$ 16,663	\$ 17,396	\$ 14,798	\$ 14,452	\$ 17,079	\$ 16,572	\$ 13,221	\$ 6,552	\$ 5,539	\$ 7,345	\$ 3,827	\$ 929	\$ 929
Unclassified external debt / OID	12,727	12,662	12,417	12,490	12,188	11,918	11,228	11,270	11,232	11,182	11,213	11,329	11,329
OpenGate debt	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Debt Outstanding	29,390	30,057	27,215	26,942	29,267	28,490	24,448	17,822	16,772	18,527	15,040	12,258	12,258
Cash and equivalents	3	3	3	3	3	3	3	3	3	3	3	3	3
Total Net Debt	\$ 29,387	\$ 30,055	\$ 27,212	\$ 26,939	\$ 29,264	\$ 28,487	\$ 24,446	\$ 17,819	\$ 16,769	\$ 18,524	\$ 15,037	\$ 12,255	\$ 12,255
Beginning Cash Balance	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Add / (Less): Operating Cash Flow	873	(71)	3,350	1,157	(2,258)	864	3,720	6,918	1,380	(1,429)	3,830	3,291	21,626
Add / (Less): Investing Cash Flow	(500)	(522)	(614)	(672)	(228)	(219)	(237)	(116)	(233)	(241)	(175)	(253)	(4,010)
Add / (Less): Financing Cash Flow	(373)	593	(2,737)	(485)	2,486	(645)	(3,483)	(6,802)	(1,147)	1,670	(3,655)	(3,038)	(17,616)
Effect of FX rates / Other	–	–	–	–	–	–	–	–	–	–	–	–	–
Ending Cash Balance	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3

Long-term trend, budget, IC comparison														
Calendar year ending				Actual		LTM Actual			IC Model			Variance to IC		
Summary Financials	12/31/2016	12/31/2017	12/31/2018	12/31/2019	8/31/2020	12/31/2016	12/31/2017		12/31/2018	LTM v 2018 IC	%	2019 FC v IC	%	
Total Net Revenue	\$ 170,742	\$ 172,416	\$ 170,574	\$ 158,254	\$ 153,281									
EBITDA, Reported	12,278	11,315	10,180	9,870	12,691									
EBITDA, Reported %	7.2%	6.6%	6.0%	6.2%	8.3%									
EBITDA, Adjusted	12,278	11,315	10,180	9,870	12,691									
EBITDA, Adjusted %	7.2%	6.6%	6.0%	6.2%	8.3%									
Accounts Receivable, Net	11,660	11,846	8,594	8,685	14,597									
Inventory, Net	27,470	29,714	30,309	29,397	21,443									
Accounts Payable	7,504	13,088	12,709	12,674	20,080									
CCC	31,626	28,473	26,194	25,408	15,960									
Net Debt	\$ 3,014	\$ 18,697	\$ 23,857	\$ 26,939	\$ 12,255									

Monthly P&L

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var		PY	Var	
	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
Units Produced ('000)	8,094	7,753	7,725	3,301	5,222	7,532	8,565	9,983	7,035	7,459	6,528	5,580	84,775	99,042	(14,267)	(14.4%)	97,151	(12,376)	(12.7%)
Units Shipped ('000)	7,842	6,982	7,690	5,019	6,548	9,246	9,550	9,628	6,828	7,674	6,428	4,198	87,634	99,426	(11,792)	(11.9%)	96,500	(8,867)	(9.2%)
Bookings (\$'000)	\$ 13,481	\$ 12,476	\$ 12,818	\$ 7,719	\$ 12,396	\$ 17,281	\$ 17,726	\$ 17,467	\$ 12,761	\$ 12,926	\$ 11,465	\$ 6,682	\$ 155,198	\$ 173,296	\$ (18,098)	(10.4%)	\$ 162,586	\$ (7,387)	(4.5%)
Backlog ('\$000)	\$ 9,606	\$ 10,369	\$ 10,608	\$ 10,199	\$ 12,165	\$ 14,016	\$ 16,140	\$ 17,572	\$ 10,092	\$ 9,459	\$ 9,499	\$ 8,870	\$ 8,870	\$ 8,450	\$ 420	5.0%	\$ 8,430	\$ 441	5.2%
Gross Revenue	\$ 12,481	\$ 12,069	\$ 12,608	\$ 8,386	\$ 10,773	\$ 15,850	\$ 16,192	\$ 16,739	\$ 12,385	\$ 13,388	\$ 11,484	\$ 7,311	\$ 149,668	\$ 173,563	\$ (23,895)	(13.8%)	\$ 166,852	\$ (17,183)	(10.3%)
Adj. to Gross Revenue	(576)	(607)	(676)	(396)	(562)	(585)	(790)	(955)	(753)	(796)	(663)	(349)	(7,707)	(9,009)	1,302	(14.5%)	(8,598)	891	(10.4%)
Net Revenue	11,905	11,463	11,932	7,990	10,211	15,266	15,402	15,784	11,632	12,591	10,821	6,962	141,961	164,554	(22,592)	(13.7%)	158,254	(16,292)	(10.3%)
Material	5,974	5,389	5,614	4,259	5,305	7,515	7,990	7,812	5,907	6,359	5,531	3,244	70,899	81,128	(10,228)	(12.6%)	77,754	(6,855)	(8.8%)
Labor	3,012	2,898	2,654	1,712	1,681	1,948	2,803	2,875	2,760	2,755	2,563	2,419	30,081	35,452	(5,371)	(15.2%)	35,294	(5,213)	(14.8%)
Other COGS	1,395	1,272	1,621	1,445	1,972	2,255	2,438	1,829	1,592	1,588	1,480	449	19,334	18,534	801	4.3%	18,632	702	3.8%
Total COGS	10,381	9,559	9,889	7,416	8,959	11,718	13,231	12,516	10,259	10,702	9,574	6,111	120,315	135,114	(14,799)	(11.0%)	131,680	(11,365)	(8.6%)
Gross Margin	1,525	1,904	2,043	575	1,253	3,548	2,171	3,268	1,374	1,889	1,247	851	21,647	29,440	(7,793)	(26.5%)	26,574	(4,927)	(18.5%)
Gross Margin %	12.8%	16.6%	17.1%	7.2%	12.3%	23.2%	14.1%	20.7%	11.8%	15.0%	11.5%	12.2%	15.2%	17.9%			16.8%		
R&D	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Sales & Marketing	490	470	512	291	240	304	378	457	430	417	423	413	4,825	6,505	(1,679)	(25.8%)	6,659	(1,834)	(27.5%)
Administrative	948	798	757	736	579	568	741	754	771	767	745	768	8,933	11,012	(2,080)	(18.9%)	10,335	(1,403)	(13.6%)
Other Opex	5	13	154	(78)	(13)	(81)	(941)	(147)	(5)	(20)	0	23	(1,089)	(112)	(977)	869.1%	(291)	(798)	274.3%
Total Opex	1,443	1,282	1,424	949	806	791	179	1,064	1,196	1,165	1,167	1,204	12,669	17,405	(4,736)	(27.2%)	16,704	(4,035)	(24.2%)
EBITDA	82	623	619	(374)	447	2,758	1,992	2,204	177	725	80	(353)	8,978	12,036	(3,058)	(25.4%)	9,870	(892)	(9.0%)
EBITDA %	0.7%	5.4%	5.2%	(4.7%)	4.4%	18.1%	12.9%	14.0%	1.5%	5.8%	0.7%	(5.1%)	6.3%	7.3%			6.2%		
Net Income (Loss)	\$ (1,509)	\$ (1,003)	\$ (1,834)	\$ (890)	\$ (225)	\$ 1,779	\$ 1,334	\$ 1,460	\$ (899)	\$ (403)	\$ (970)	\$ (1,183)	\$ (4,342)	\$ (3,497)	\$ (845)	24.2%	\$ (1,971)	\$ (2,371)	120.3%
Capex	\$ (228)	\$ (219)	\$ (237)	\$ (116)	\$ (233)	\$ (241)	\$ (175)	\$ (253)	\$ (338)	\$ (339)	\$ (338)	\$ (331)	\$ (3,048)	\$ (6,501)	\$ 3,453	(53.1%)	\$ (6,807)	\$ 3,759	(55.2%)
Opex Overview:																			
Payroll	\$ 833	\$ 734	\$ 814	\$ 617	\$ 470	\$ 507	\$ 744	\$ 761	\$ 750	\$ 753	\$ 709	\$ 763	\$ 8,453	\$ 10,185	\$ (1,732)	(17.0%)	\$ 9,929	\$ (1,476)	(14.9%)
Bonus	62	62	15	60	21	21	22	22	21	21	21	21	370	740	(370)	(50.0%)	62	308	494.7%
Commissions	29	17	36	25	12	13	15	18	17	16	13	13	224	273	(49)	(18.1%)	247	(23)	(9.4%)
Marketing	53	66	70	68	60	85	74	100	69	64	88	64	862	1,098	(237)	(21.6%)	1,596	(734)	(46.0%)
Benefits	—	—	—	—	—	—	(854)	—	—	—	—	—	(854)	—	(854)	N/A	—	(854)	N/A
Travel and entertainment	69	48	48	8	13	5	11	12	54	45	54	47	415	1,145	(730)	(63.8%)	1,069	(655)	(61.2%)
Rent and facilities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Insurance	24	22	19	19	17	25	28	26	24	24	22	21	270	333	(62)	(18.7%)	317	(46)	(14.6%)
Professional fees	54	80	57	52	37	35	37	33	45	44	44	41	560	591	(31)	(5.2%)	671	(111)	(16.5%)
Office Expenses	23	21	18	9	19	18	16	14	21	20	19	17	215	261	(47)	(17.9%)	256	(41)	(16.2%)
IT	153	138	124	133	127	111	136	165	137	134	134	134	1,625	1,881	(256)	(13.6%)	1,860	(235)	(12.6%)
Bad Debts	31	33	(0)	(2)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	60	(4)	63	(1756.2%)	174	(114)	(65.7%)
FX	36	29	161	(57)	(37)	(37)	(60)	(119)	—	—	—	—	(84)	—	(84)	N/A	(145)	61	(42.4%)
JV Loss (Income)	(31)	(15)	(7)	(21)	24	(45)	(27)	(28)	(5)	(20)	0	23	(151)	(112)	(39)	34.6%	(146)	(5)	3.7%
Other Expenses	109	47	69	38	42	51	38	62	63	63	63	60	705	1,013	(308)	(30.4%)	814	(109)	(13.4%)
Total Opex	\$ 1,443	\$ 1,282	\$ 1,424	\$ 949	\$ 806	\$ 791	\$ 179	\$ 1,064	\$ 1,196	\$ 1,165	\$ 1,167	\$ 1,204	\$ 12,669	\$ 17,405	\$ (4,736)	(27.2%)	\$ 16,704	\$ (4,035)	(24.2%)

Monthly EBITDA to Net Income (Loss) Bridge

\$'000	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var		PY	Var	
	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
EBITDA - as reported	\$ 82	\$ 623	\$ 619	\$ (374)	\$ 447	\$ 2,758	\$ 1,992	\$ 2,204	\$ 177	\$ 725	\$ 80	\$ (353)	\$ 8,978	\$12,036	\$ (3,058)	(25.4%)	\$ 9,870	\$ (892)	(9.0%)
Depreciation and amortization	(814)	(805)	(788)	(751)	(745)	(754)	(764)	(782)	(810)	(804)	(810)	(818)	(9,445)	(9,739)	293	(3.0%)	(9,017)	(429)	4.8%
Interest and amortization	(156)	(164)	(157)	(134)	(118)	(125)	(112)	(78)	(133)	(130)	(129)	(128)	(1,564)	(2,622)	1,058	(40.4%)	(2,158)	595	(27.6%)
Other financial income/expense	(367)	(311)	(1,371)	450	222	193	420	437	—	—	—	—	(328)	—	(328)	N/A	1,044	(1,372)	(131.4%)
Monitoring fees (including expenses)	(83)	(73)	(78)	(82)	(81)	(85)	(85)	(86)	(81)	(79)	(79)	(79)	(972)	(1,000)	28	(2.8%)	(1,073)	101	(9.4%)
Restructuring costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	46	(46)	(100.0%)
Non-recurring items	(170)	(203)	(124)	(3)	(4)	(28)	(3)	(39)	(4)	(4)	(4)	(4)	(591)	(816)	225	(27.6%)	(1,249)	658	(52.7%)
Taxes	—	(68)	65	4	55	(180)	(114)	(195)	(49)	(111)	(27)	199	(421)	(1,357)	936	(69.0%)	566	(987)	(174.3%)
GAAP Net Income (Loss)	\$ (1,509)	\$ (1,003)	\$ (1,834)	\$ (890)	\$ (225)	\$ 1,779	\$ 1,334	\$ 1,460	\$ (899)	\$ (403)	\$ (970)	\$ (1,183)	\$ (4,342)	\$ (3,497)	\$ (845)	24.2%	\$ (1,971)	\$ (2,371)	120.3%

Management Discussion

- Other financial income/expense relates to unrealized F/X (gain)/loss on \$USD debt held by Canadian entity; YTD F/X gain attributable to the change in the month-end rate from 1.3418 [USD\$0.74] on July 31, 2020 to 1.307 [USD\$0.77] on August 31, 2020
- Non-recurring in August for Legal fee \$34K for Project Panther and Covid 19 issues and Consulting fee of \$5K
- Tax accrual of \$195K in the US on account of income in the US entity for August; Canadian deferred tax asset has not been increased since 2018 year end adjustments

Monthly Cost of Goods Sold by Component

\$'000	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var		PY	Var	
	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
Material																			
Material costs at standard	\$ 6,109	\$ 5,654	\$ 5,711	\$ 4,131	\$ 5,134	\$ 7,574	\$ 8,089	\$ 7,740	\$ 5,693	\$ 6,227	\$ 5,312	\$ 2,983	\$ 70,355	\$ 79,561	\$ (9,206)	(11.6%)	\$ 76,642	\$ (6,287)	(8.2%)
Materials FX loss / (gain)	0	1	(1)	0	0	0	0	0	0	0	—	—	1	0	0	59.5%	1	(1)	(53.6%)
Purchase price variance	(85)	(182)	26	76	248	66	(56)	41	228	209	267	233	1,071	3,099	(2,029)	(65.5%)	2,184	(1,113)	(51.0%)
Supplier resin rebate	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Freight In	45	53	33	34	23	33	36	36	46	46	45	35	464	585	(121)	(20.6%)	546	(82)	(15.0%)
Scrap costs	(158)	(206)	(241)	(26)	(152)	(220)	(140)	(73)	(141)	(206)	(171)	(65)	(1,801)	(3,263)	1,462	(44.8%)	(2,628)	827	(31.5%)
Consumables	63	70	86	44	52	61	62	68	82	84	79	58	809	1,144	(335)	(29.3%)	1,009	(200)	(19.8%)
Total Material COGS	\$ 5,974	\$ 5,389	\$ 5,614	\$ 4,259	\$ 5,305	\$ 7,515	\$ 7,990	\$ 7,812	\$ 5,907	\$ 6,359	\$ 5,531	\$ 3,244	\$ 70,899	\$ 81,128	\$ (10,228)	(12.6%)	\$ 77,754	\$ (6,855)	(8.8%)
Labor																			
Direct labor	\$ 1,007	\$ 983	\$ 920	\$ 486	\$ 710	\$ 963	\$ 1,088	\$ 1,126	\$ 1,012	\$ 1,011	\$ 933	\$ 826	\$ 11,065	\$ 12,677	\$ (1,612)	(12.7%)	\$ 12,838	\$ (1,773)	(13.8%)
Direct labor - bonus	29	28	9	27	10	9	10	10	10	9	9	9	170	333	(163)	(48.9%)	116	54	46.3%
Direct labor - overtime	103	147	90	26	30	56	130	137	125	122	90	86	1,142	1,489	(347)	(23.3%)	1,376	(233)	(17.0%)
Direct labor - benefits	304	243	241	219	48	(44)	253	243	237	233	216	205	2,398	3,203	(805)	(25.1%)	3,074	(676)	(22.0%)
Direct labor - wcb benefits	7	30	21	8	16	16	20	22	20	20	18	18	216	250	(34)	(13.5%)	47	169	355.4%
Direct labor - other	(1)	0	(0)	(0)	(0)	1	(1)	(1)	—	—	—	—	(3)	13	(16)	(119.4%)	(9)	7	(71.9%)
Indirect labor	1,534	1,439	1,365	918	858	938	1,292	1,328	1,347	1,351	1,288	1,265	14,922	17,135	(2,214)	(12.9%)	17,711	(2,789)	(15.7%)
Indirect labor – bonus	29	28	9	27	10	9	10	10	10	9	9	9	170	333	(163)	(48.9%)	116	54	46.3%
Sub-contractor costs	—	—	—	—	—	—	—	—	—	—	—	—	—	18	(18)	(100.0%)	24	(24)	(100.0%)
Total Labor COGS	\$ 3,012	\$ 2,898	\$ 2,654	\$ 1,712	\$ 1,681	\$ 1,948	\$ 2,803	\$ 2,875	\$ 2,760	\$ 2,755	\$ 2,563	\$ 2,419	\$ 30,081	\$ 35,452	\$ (5,371)	(15.2%)	\$ 35,294	\$ (5,213)	(14.8%)
Other																			
Repairs and maintenance	\$ 118	\$ 221	\$ 99	\$ 76	\$ 101	\$ 78	\$ 184	\$ 199	\$ 123	\$ 137	\$ 114	\$ 111	\$ 1,561	\$ 645	\$ 916	141.9%	\$ 666	\$ 895	134.3%
Absorption	(235)	(461)	(20)	348	705	758	444	(67)	(77)	(85)	(114)	(775)	423	(1,260)	1,682	(133.6%)	(605)	1,028	(169.8%)
Freight out	669	643	608	337	405	642	721	773	572	588	519	331	6,806	7,792	(986)	(12.6%)	7,990	(1,184)	(14.8%)
Rent / facilities	143	207	197	247	218	139	151	162	295	261	294	227	2,540	2,467	73	3.0%	1,981	559	28.2%
Utilities	505	451	542	299	388	480	514	609	491	512	501	414	5,705	6,491	(786)	(12.1%)	6,194	(488)	(7.9%)
Other cost of sales	195	211	195	138	155	157	424	153	189	174	166	141	2,299	2,399	(100)	(4.2%)	2,406	(107)	(4.5%)
Total Other COGS	\$ 1,395	\$ 1,272	\$ 1,621	\$ 1,445	\$ 1,972	\$ 2,255	\$ 2,438	\$ 1,829	\$ 1,592	\$ 1,588	\$ 1,480	\$ 449	\$ 19,334	\$ 18,534	\$ 801	4.3%	\$ 18,632	\$ 702	3.8%

Management Discussion

Material COGS: Decrease of \$10,228K due to lower volume impact of \$9,972K (Sales volumes (lbs) lower by 11.9%), favorable resin material prices & supplier rebates offset by higher additive pricing & higher glass pricing of \$1,410K and favorable inventory reserves of \$319K; offset by unfavorable yields & lower regrind usage at Woodbridge/Delmont/Everett of \$1,473K

Labor COGS: Lower costs due to a volume impact of \$3,703K (production volume lbs lower by 14.4%), the receipt of the Canada Emergency Wage Subsidy of \$918K for the Quebec and Ontario plants (May/June), the suspension of the Company match for RRSP/401K contributions of \$390K, a reduction to the bonus accrual of \$326K and the receipt of the Compwise (WSIB) rebate in Everett of \$34K (Jan-20)

Other COGS: Increase of \$801K due to an unfavorable absorption impact of \$1,897K, lower tool & die overhead recovery of \$1,420K and a warranty accrual for field issue failures of \$244K; partially offset by lower freight costs of \$986K due to lower sales volume & mix, lower utilities of \$786K as a result of reduced production levels and lower overhead spending (ie. supplies, maintenance, rentals) of \$988K

Monthly Balance Sheet

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
\$'000	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
Current Assets																
Cash and cash equivalents	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ (0)	(12.2%)
Short term investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
<i>Accounts receivable, gross</i>	11,246	11,636	12,417	10,163	10,188	13,857	13,841	15,220	14,882	15,155	13,452	10,919	10,919	9,246	1,673	18.1%
<i>Accounts receivable, reserves</i>	(582)	(608)	(574)	(585)	(591)	(596)	(607)	(623)	(458)	(448)	(448)	(448)	(448)	(561)	112	(20.0%)
Accounts receivable, net	10,663	11,029	11,843	9,578	9,597	13,261	13,234	14,597	14,423	14,707	13,004	10,470	10,470	8,685	1,785	20.6%
<i>Inventory, gross</i>	31,650	31,849	31,231	29,262	26,251	23,942	22,629	23,214	25,899	25,484	25,955	26,331	26,331	31,428	(5,097)	(16.2%)
<i>Inventory, reserves</i>	(1,994)	(1,982)	(1,765)	(1,589)	(1,612)	(1,612)	(1,613)	(1,771)	(1,775)	(1,767)	(1,787)	(1,808)	(1,808)	(2,031)	223	(11.0%)
Inventory, net	29,656	29,866	29,466	27,673	24,639	22,326	21,016	21,443	24,124	23,717	24,168	24,523	24,523	29,397	(4,874)	(16.6%)
Prepaid expenses and other current assets	3,193	3,186	3,081	3,011	2,898	4,129	4,229	3,848	3,578	3,529	3,197	2,936	2,936	3,221	(285)	(8.8%)
Other current assets	769	744	1,155	946	1,272	1,101	1,521	1,812	1,164	1,322	1,479	547	547	835	(288)	(34.5%)
Total Current Assets	44,284	44,828	45,549	41,210	38,409	40,819	40,003	41,703	43,292	43,277	41,852	38,479	38,479	42,141	(3,662)	(8.7%)
Non-Current Assets																
<i>Property, plant & equipment, gross</i>	73,055	72,779	70,904	71,689	72,300	72,871	73,719	75,007	74,774	74,093	74,337	74,682	74,682	73,423	1,258	1.7%
<i>Accumulated depreciation</i>	(27,815)	(28,391)	(28,185)	(29,261)	(30,198)	(31,114)	(32,224)	(33,547)	(33,212)	(33,570)	(34,381)	(35,198)	(35,198)	(27,272)	(7,926)	29.1%
Property, plant & equipment, net	45,240	44,387	42,719	42,428	42,103	41,757	41,495	41,459	41,562	40,522	39,956	39,483	39,483	46,151	(6,668)	(14.4%)
Deferred financing cost	381	365	339	330	319	307	297	288	262	245	232	219	219	399	(180)	(45.1%)
Deferred tax asset	4,625	4,575	4,363	4,430	4,468	4,502	4,569	4,672	1,315	1,294	1,294	1,294	1,294	4,942	(3,648)	(73.8%)
Other non-current assets	2,850	2,829	2,680	2,751	2,755	2,824	2,901	3,006	2,828	2,788	2,788	2,764	2,764	2,863	(99)	(3.4%)
Total Non-Current Assets	53,096	52,156	50,101	49,939	49,645	49,390	49,261	49,425	45,967	44,849	44,270	43,761	43,761	54,354	(10,594)	(19.5%)
Total Assets	\$ 97,380	\$ 96,985	\$ 95,650	\$ 91,149	\$ 88,054	\$ 90,209	\$ 89,265	\$ 91,128	\$ 89,260	\$ 88,126	\$ 86,121	\$ 82,239	\$ 82,239	\$ 96,495	\$ (14,256)	(14.8%)
Current Liabilities																
Bank Debt	\$ 17,079	\$ 16,572	\$ 13,221	\$ 6,552	\$ 5,539	\$ 7,345	\$ 3,827	\$ 929	\$ 9,388	\$ 9,319	\$ 9,125	\$ 9,273	\$ 9,273	\$ 14,452	\$ (5,180)	(35.8%)
Current Portion - Long Term Debt	1,669	1,652	1,578	1,602	1,615	1,626	1,650	1,686	1,620	1,590	1,590	1,590	1,590	1,690	(100)	(5.9%)
Accounts payable	12,013	13,603	18,599	21,714	19,198	17,797	18,204	20,080	15,699	15,541	15,095	13,184	13,184	12,674	510	4.0%
Accrued liabilities	3,167	2,725	2,773	2,773	3,088	2,993	3,253	3,623	3,258	3,183	2,711	2,485	2,485	2,752	(266)	(9.7%)
Accrued compensation	2,754	3,054	3,111	3,103	3,290	3,132	3,558	4,074	3,464	3,400	3,576	3,191	3,191	2,007	1,185	59.0%
Income taxes payable	(288)	(220)	(285)	(297)	(350)	(170)	(204)	(10)	704	815	842	643	643	(288)	931	(323.6%)
Contingent consideration	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
Other current liabilities	107	100	95	84	71	69	68	33	152	149	149	149	149	111	37	33.7%
Total Current Liabilities	36,501	37,486	39,092	35,337	32,450	32,792	30,355	30,415	34,285	33,996	33,088	30,516	30,516	33,399	(2,883)	(8.6%)
Long-term liabilities																
Long-term debt less current maturities	10,519	10,266	9,650	9,668	9,618	9,555	9,563	9,643	9,114	8,807	8,674	8,542	8,542	10,799	(2,258)	(20.9%)
Deferred income taxes	10,502	10,445	10,202	10,279	10,322	10,361	10,437	10,555	9,336	9,251	9,251	9,251	9,251	10,827	(1,576)	(14.6%)
Other non-current liabilities	1,595	1,577	1,492	1,520	1,536	1,599	1,628	1,672	1,525	1,498	1,504	1,510	1,510	1,618	(108)	(6.7%)
Total Long-Term Liabilities	22,616	22,288	21,344	21,467	21,476	21,515	21,629	21,870	19,976	19,556	19,429	19,302	19,302	23,244	(3,942)	(17.0%)
Total Liabilities	59,117	59,774	60,436	56,804	53,926	54,308	51,984	52,284	54,261	53,552	52,517	49,818	49,818	56,643	(6,825)	(12.0%)
Commitments and contingencies																
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Shareholders' Equity																
Common stock	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	(0)	(0.0%)
Retained earnings	26,588	25,585	23,752	22,861	22,637	24,415	25,749	27,209	23,431	23,029	22,059	20,876	20,876	28,058	(7,182)	(25.6%)
Accumulated other comprehensive income	(934)	(984)	(1,148)	(1,126)	(1,119)	(1,124)	(1,078)	(975)	(1,042)	(1,065)	(1,065)	(1,065)	(1,065)	(816)	(249)	30.5%
Total Shareholders' Equity	38,263	37,211	35,214	34,345	34,127	35,901	37,281	38,844	34,999	34,574	33,604	32,421	32,421	39,852	(7,431)	(18.6%)
Total Liabilities and Shareholders' Equity	\$ 97,380	\$ 96,985	\$ 95,650	\$ 91,149	\$ 88,054	\$ 90,209	\$ 89,265	\$ 91,128	\$ 89,260	\$ 88,126	\$ 86,121	\$ 82,239	\$ 82,239	\$ 96,495	\$ (14,256)	(14.8%)

Balance Sheet – Year on Year Comparison

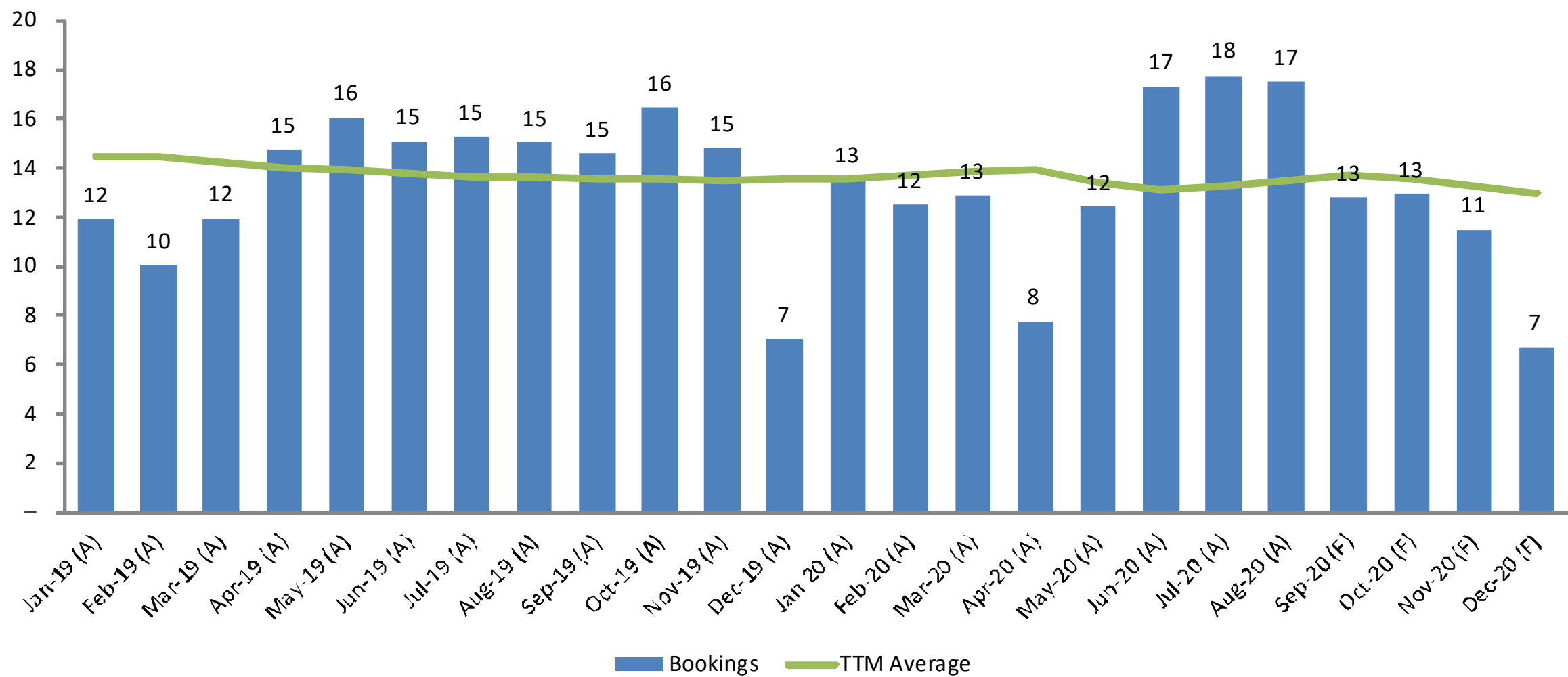
\$'000	YTD		Variance	
	CY	PY	\$	%
<u>Current Assets</u>				
Cash and cash equivalents	\$ 3	\$ 3	\$ (0)	(4.4%)
Short term investments	–	–	–	N/A
<i>Accounts receivable, gross</i>	15,220	13,780	1,440	10.4%
<i>Accounts receivable, reserves</i>	(623)	(472)	(151)	31.9%
Accounts receivable, net	14,597	13,308	1,289	9.7%
<i>Inventory, gross</i>	23,214	34,146	(10,931)	(32.0%)
<i>Inventory, reserves</i>	(1,771)	(1,783)	11	(0.6%)
Inventory, net	21,443	32,363	(10,920)	(33.7%)
Prepaid expenses and other current assets	3,848	4,035	(187)	(4.6%)
Other current assets	1,812	932	880	94.4%
Total Current Assets	41,703	50,640	(8,938)	(17.6%)
<u>Non-Current Assets</u>				
<i>Property, plant & equipment, gross</i>	75,007	70,322	4,685	6.7%
<i>Accumulated depreciation</i>	(33,547)	(23,765)	(9,783)	41.2%
Property, plant & equipment, net	41,459	46,557	(5,097)	(10.9%)
Deferred financing cost	288	448	(160)	(35.7%)
Deferred tax asset	4,672	2,938	1,734	59.0%
Other non-current assets	3,006	2,784	222	8.0%
Total Non-Current Assets	49,425	52,727	(3,302)	(6.3%)
Total Assets	\$ 91,128	\$ 103,368	\$ (12,240)	(11.8%)
<u>Current Liabilities</u>				
Bank Debt	\$ 929	\$ 16,897	\$ (15,968)	(94.5%)
Current Portion - Long Term Debt	1,686	1,662	23	1.4%
Accounts payable	20,080	14,498	5,581	38.5%
Accrued liabilities	3,623	3,630	(7)	(0.2%)
Accrued compensation	4,074	3,952	121	3.1%
Income taxes payable	(10)	86	(95)	(111.1%)
Contingent consideration	–	1,301	(1,301)	(100.0%)
Other current liabilities	33	122	(89)	(73.1%)
Total Current Liabilities	30,415	42,149	(11,734)	(27.8%)
<u>Long-term liabilities</u>				
Long-term debt less current maturities	9,643	11,163	(1,520)	(13.6%)
Deferred income taxes	10,555	9,713	842	8.7%
Other non-current liabilities	1,672	1,577	95	6.0%
Total Long-Term Liabilities	21,870	22,453	(583)	(2.6%)
Total Liabilities	52,284	64,602	(12,317)	(19.1%)
Commitments and contingencies	–	–	–	N/A
<u>Shareholders' Equity</u>				
Common stock	12,610	12,610	–	0.0%
Retained earnings	27,209	27,095	114	0.4%
Accumulated other comprehensive income	(975)	(938)	(37)	3.9%
Total Shareholders' Equity	38,844	38,766	77	0.2%
Total Liabilities and Shareholders' Equity	\$ 91,128	\$ 103,368	\$ (12,240)	(11.8%)

Monthly Cash Flow

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var		PY	Var	
\$'000	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
Cash flow from operations																			
Net Income (Loss)	\$ (1,509)	\$ (1,003)	\$ (1,834)	\$ (890)	\$ (225)	\$ 1,779	\$ 1,334	\$ 1,460	\$ (899)	\$ (403)	\$ (970)	\$ (1,183)	\$ (4,342)	\$ (3,497)	\$ (845)	24.2%	\$ (1,971)	\$ (2,371)	120.3%
Depreciation, amortization and other	814	805	788	751	745	754	764	782	810	804	810	818	9,445	9,739	(293)	(3.0%)	9,017	429	4.8%
Non-cash loss/expense (gain)	408	153	(6)	(248)	(97)	(115)	(151)	(187)	(3,923)	379	113	28	(3,644)	(826)	(2,818)	341.0%	(154)	(3,490)	2264.9%
Deferred income tax	(325)	(57)	460	77	43	38	10	15	2,138	(65)	–	–	2,334	(1,117)	3,451	(308.9%)	(785)	3,118	(397.3%)
Change in operating assets and liabilities:																N/A			
Accounts receivable	(1,978)	(365)	(814)	2,265	(20)	(3,664)	27	(1,363)	173	(283)	1,703	2,533	(1,785)	(1,035)	(750)	72.5%	(91)	(1,694)	1864.7%
Inventory	(259)	(210)	400	1,794	3,034	2,313	1,310	(427)	(2,681)	407	(451)	(355)	4,874	(2,106)	6,979	(331.4%)	912	3,961	434.3%
Prepaid expenses and other current assets	94	31	(306)	279	(214)	(1,059)	(521)	90	918	(108)	174	1,194	573	264	309	117.0%	(214)	787	(368.6%)
Accounts payable	(661)	1,589	4,996	3,115	(2,516)	(1,401)	407	1,876	(4,381)	(158)	(446)	(1,911)	510	711	(201)	(28.3%)	(35)	546	(1541.8%)
Accrued expenses	1,162	(141)	105	(202)	695	(252)	686	886	(974)	(140)	(296)	(610)	918	1,430	(512)	(35.8%)	(1,106)	2,024	(183.0%)
Accrued income taxes	–	68	(65)	(12)	(53)	180	(34)	195	714	111	27	(199)	931	931	–	0.0%	(41)	972	(2357.2%)
Other changes in operating assets and liabilities	(4)	(7)	(5)	(11)	(13)	(1)	(2)	(35)	119	(3)	–	–	37	45	(7)	(16.3%)	(1,287)	1,324	(102.9%)
Other cash flow from operations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Total Cash Flow from Operations	\$ (2,258)	\$ 864	\$ 3,720	\$ 6,918	\$ 1,380	\$ (1,429)	\$ 3,830	\$ 3,291	\$ (7,986)	\$ 541	\$ 665	\$ 316	\$ 9,852	\$ 4,539	\$ 5,313	117.0%	\$ 4,246	\$ 5,606	132.1%
Cash flow from investing																			
Additions to property, plant and equipment	\$ (228)	\$ (219)	\$ (237)	\$ (116)	\$ (233)	\$ (241)	\$ (175)	\$ (253)	\$ (338)	\$ (339)	\$ (338)	\$ (331)	\$ (3,048)	\$ (6,501)	\$ 3,453	(53.1%)	\$ (6,807)	\$ 3,759	(55.2%)
Earnout payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Other cash flow from investing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Total Cash Flow from Investing	\$ (228)	\$ (219)	\$ (237)	\$ (116)	\$ (233)	\$ (241)	\$ (175)	\$ (253)	\$ (338)	\$ (339)	\$ (338)	\$ (331)	\$ (3,048)	\$ (6,501)	\$ 3,453	(53.1%)	\$ (6,807)	\$ 3,759	(55.2%)
Cash flow from financing																			
Proceeds from the issuance (repayment) of short-term debt	\$ 2,626	\$ (507)	\$ (3,351)	\$ (6,669)	\$ (1,013)	\$ 1,805	\$ (3,518)	\$ (2,898)	\$ 8,459	\$ (69)	\$ (193)	\$ 147	\$ (5,180)	\$ 3,623	\$ (8,803)	(243.0%)	\$ 4,230	\$ (9,410)	(222.5%)
Proceeds from the issuance of debt	(0)	(0)	(0)	(0)	0	0	0	0	(0)	0	0	0	(0)	–	(0)	N/A	(0)	0	(99.7%)
Repayment of debt	(140)	(138)	(132)	(133)	(135)	(136)	(137)	(140)	(135)	(133)	(133)	(133)	(1,625)	(1,662)	37	(2.2%)	(1,665)	40	(2.4%)
Common stock cash dividends paid	–	–	–	–	–	–	–	–	(0)	–	–	–	(0)	–	(0)	N/A	–	(0)	N/A
Other cash flow from financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Total Cash Flow from Financing	\$ 2,486	\$ (645)	\$ (3,483)	\$ (6,802)	\$ (1,147)	\$ 1,670	\$ (3,655)	\$ (3,038)	\$ 8,323	\$ (202)	\$ (326)	\$ 15	\$ (6,804)	\$ 1,961	\$ (8,766)	(446.9%)	\$ 2,565	\$ (9,369)	(365.3%)
Effect of FX rates on cash and cash equivalents	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	N/A	\$ –	\$ -	N/A
Net change in cash	\$ (0)	\$ (0)	\$ (0)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1)	\$ (0)	\$ 0	\$ (0)	\$ (0)	\$ (0)	\$ (0)	19.3%	\$ 3	\$ (3)	(112.2%)
Beginning cash	3	3	3	3	3	3	3	3	3	2	2	3	3	3	0	0.0%	0	\$ 3	815681.2%
Change in cash	(0)	(0)	(0)	0	0	0	0	0	(1)	(0)	0	(0)	(0)	(0)	(0)	19.3%	3	\$ (3)	(112.2%)
Ending cash	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ (0)	(2.2%)	\$ 3	\$ (0)	(12.2%)

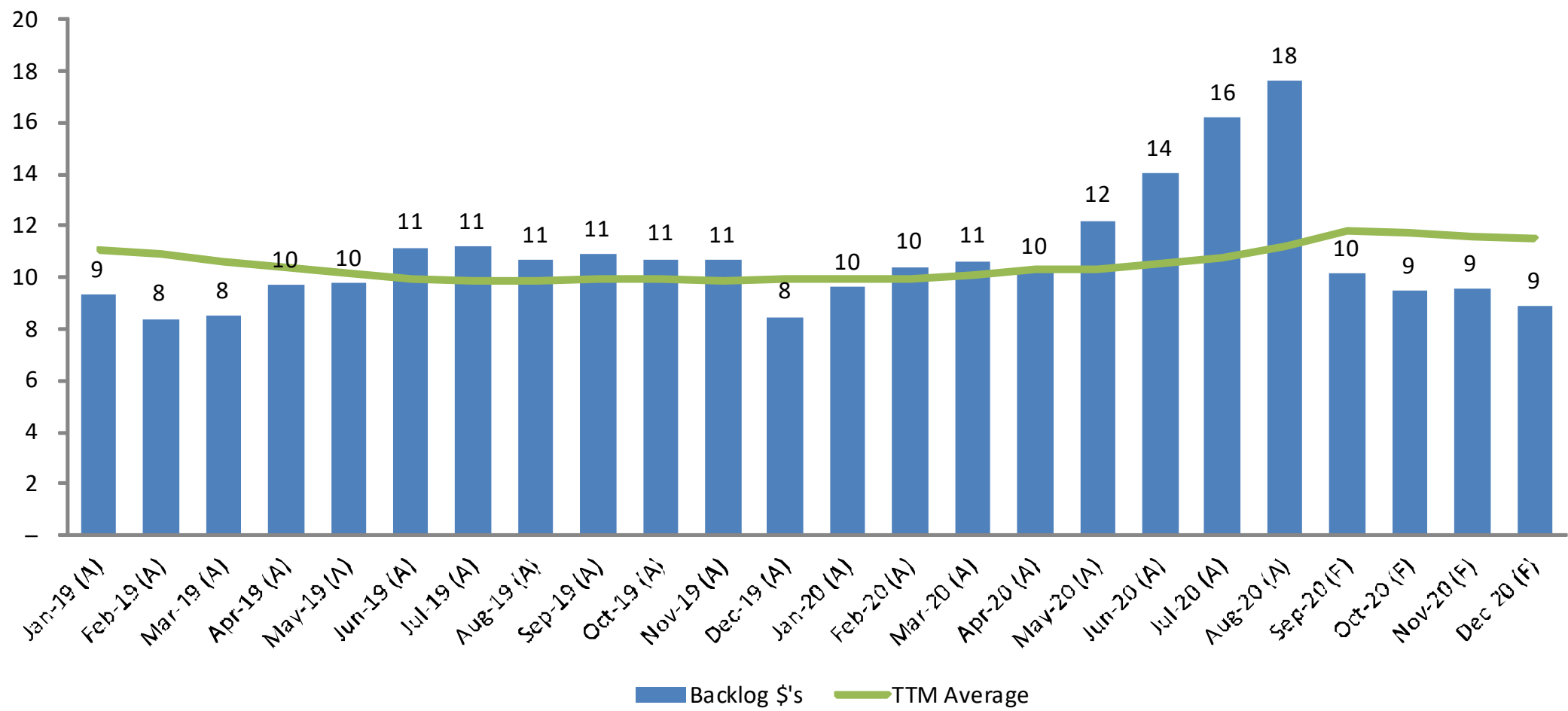
Trended Monthly Bookings

\$ in millions

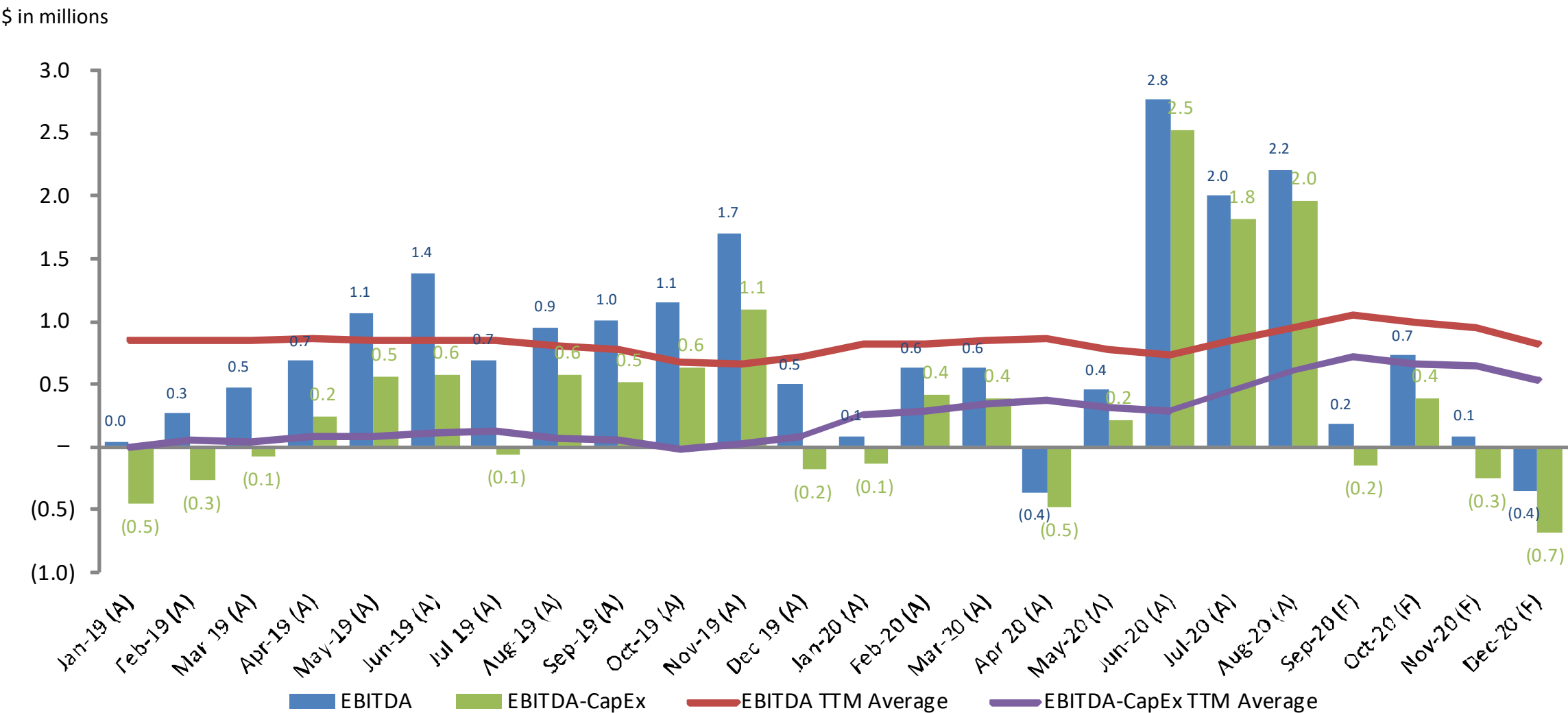


Trended Monthly Backlog

\$ in millions

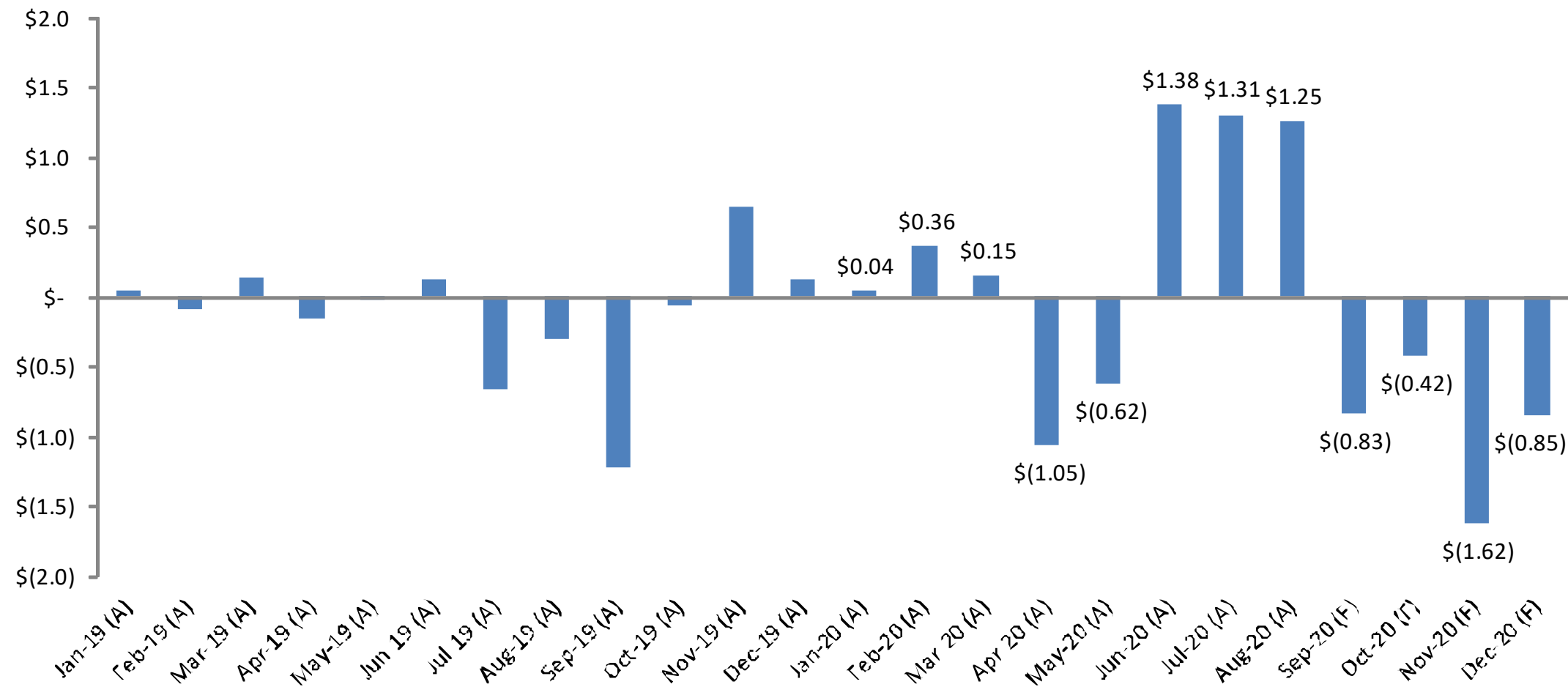


EBITDA and EBITDA-CapEx



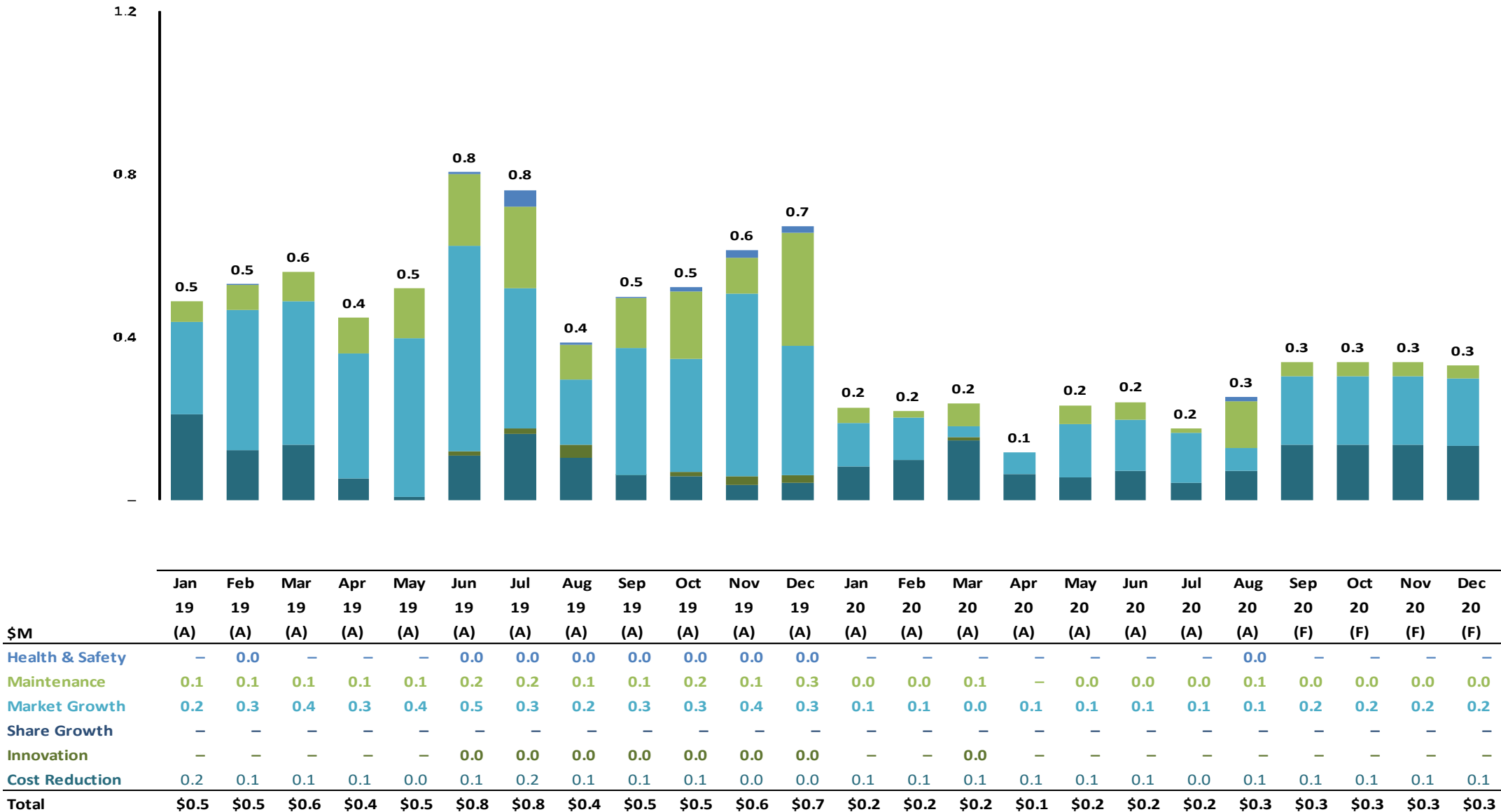
Y-o-Y \$ EBITDA Change

\$ in millions



Capital Expenditures

\$ in millions



Headcount Trending by Month

Month	Direct Labor	Indirect Labor - Hourly	Indirect Labor - Salary	Delivery & Dist.	Research & Development	Sales & Marketing	Administrative	Other	Total Permanent	Agency FTE & Temps	Total Headcount	Bud Headcount	Difference to Bud
2020 January (A)	311	154	81	34	11	22	59	–	672	65	737	735	2
2020 February (A)	309	155	82	34	11	25	58	–	674	60	734	735	(1)
2020 March (A)	221	121	57	33	7	18	51	–	508	45	553	745	(192)
2020 April (A)	183	73	49	30	3	14	46	–	398	10	408	778	(370)
2020 May (A)	239	97	73	30	6	19	52	–	516	24	540	787	(247)
2020 June (A)	280	118	73	31	10	23	55	–	590	71	661	780	(119)
2020 July (A)	299	125	78	34	11	23	57	–	627	107	734	783	(49)
2020 August (A)	302	131	81	35	11	23	57	–	640	107	747	780	(33)
2020 September (F)	312	126	81	36	10	25	60	–	650	69	719	777	(59)
2020 October (F)	307	126	81	35	10	25	61	–	645	80	725	775	(51)
2020 November (F)	298	126	81	35	10	25	61	–	636	66	702	750	(49)
2020 December (F)	288	121	81	34	10	25	61	–	620	17	637	735	(99)
Final Headcount	288	121	81	34	10	25	61	–	620	17	637	735	(99)

Management Discussion

- Return to work for many staff continued in August in addition to hiring of temps as plants increased production.

Headcount Hires and Attrition

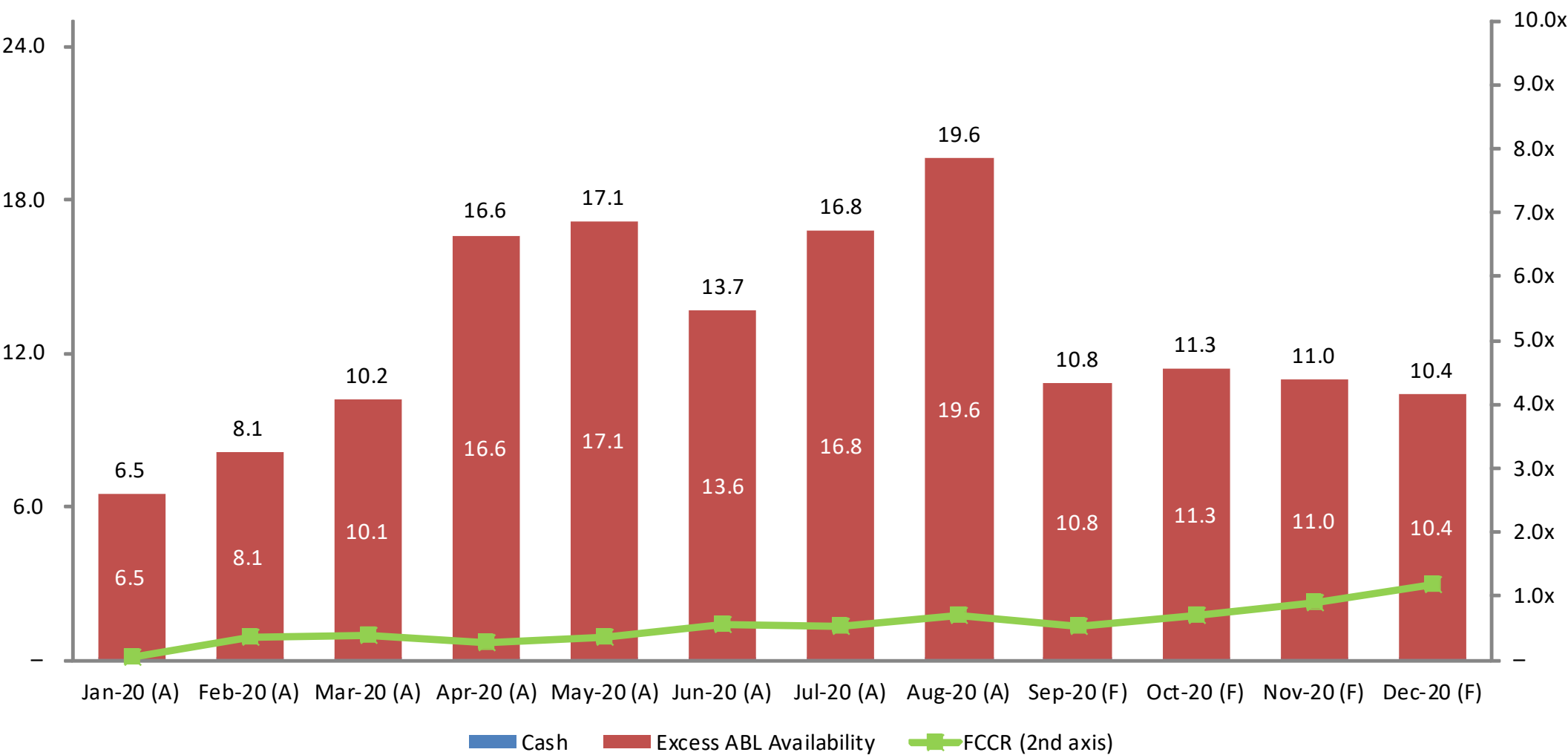
Functional Area	Start of Month	Hires	Transfers	Involuntary		End of Month	Rfc Headcount	Difference to Rfc
				Term	Voluntary Term			
Direct Labor	299	5	9	(2)	(9)	302	345	43
Indirect Labor - Hourly	125	1	7	(1)	(1)	131	153	22
Indirect Labor - Salary	78	–	5	–	(2)	81	83	2
Delivery & Dist.	34	1	–	–	–	35	37	2
Research & Development	11	–	–	–	–	11	11	-
Sales & Marketing	23	–	–	–	–	23	25	2
Administrative	57	–	–	–	–	57	63	6
Other	-	–	–	–	–	-	-	-
Agency FTE & Temps	107	13	–	(11)	(2)	107	63	(44)
Total	734	20	21	(14)	(14)	747	780	33

Management Discussion

- Woodbridge – 2 people came back to work and hire of 7 temps
- Laval – 4 people came back to work from layoff
- Terrebonne – Less 7 staff (Loss of few temps and permanent hourly people).

Liquidity Forecast

\$ in millions



Executive Summary

Financial Review

Full Year Financial Outlook

Governance Reporting

Appendix

Business Unit Analysis

Woodbridge

Laval

Delmont

Everett

Terrebonne

Concord

Corporate

Plant Capacity Utilization

Woodbridge Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	3,400	2,675	725	27.1%	18,747	21,863	(3,116)	(14.3%)
Units Shipped ('000)	3,325	2,839	487	17.1%	20,191	20,858	(667)	(3.2%)
Bookings (\$'000)	\$ 4,462	\$ 3,508	\$ 954	27.2%	\$ 28,073	\$ 26,235	\$ 1,838	7.0%
Backlog (\$'000)	\$ 3,649	\$ 2,093	\$ 1,556	74.4%	\$ 3,649	\$ 2,093	\$ 1,556	74.4%
Gross Revenue	\$ 4,773	\$ 3,940	\$ 833	21.1%	\$ 28,621	\$ 28,824	\$ (203)	(0.7%)
Adj. to Gross Revenue	(267)	(215)	(51)	23.8%	(1,440)	(1,559)	118	(7.6%)
Net Revenue	4,507	3,725	782	21.0%	27,181	27,266	(85)	(0.3%)
Material	2,989	2,341	648	27.7%	18,016	17,423	594	3.4%
Labor	829	832	(3)	(0.4%)	5,043	6,496	(1,453)	(22.4%)
Other COGS	331	327	5	1.5%	2,647	1,213	1,434	118.3%
Total COGS	4,150	3,500	650	18.6%	25,707	25,132	575	2.3%
Gross Margin	357	225	132	58.7%	1,474	2,134	(659)	(30.9%)
Gross Margin %	7.9%	6.0%			5.4%	7.8%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	23	19	4	22.8%	143	153	(9)	(6.2%)
Administrative	306	320	(14)	(4.4%)	2,466	2,563	(96)	(3.8%)
Other Opex	19	(6)	25	(449.8%)	(432)	(65)	(366)	560.1%
Total Opex	348	333	15	4.6%	2,178	2,650	(472)	(17.8%)
EBITDA	8	(109)	117	(107.5%)	(704)	(517)	(187)	36.2%
EBITDA %	0.2%	(2.9%)			(2.6%)	(1.9%)		
Net Income (Loss)	\$ (242)	\$ (346)	\$ 105	(30.2%)	\$ (2,625)	\$ (2,419)	\$ (206)	8.5%
Capex	\$ (31)	\$ —	\$ (31)	N/A	\$ (470)	\$ (1,365)	\$ 896	(65.6%)
Opex Overview:								
Payroll	\$ 43	\$ 57	\$ (14)	(24.7%)	\$ 351	\$ 466	\$ (115)	(24.7%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	12	7	6	84.2%	68	52	16	30.8%
Benefits	—	—	—	N/A	(285)	—	(285)	N/A
Travel and entertainment	0	1	(0)	(72.0%)	7	5	2	30.1%
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	3	3	(0)	(4.2%)	26	26	1	2.5%
Professional fees	—	1	(1)	(100.0%)	47	6	40	629.1%
Utilities, repair, maintenance, an	0	3	(2)	(91.9%)	11	21	(9)	(44.7%)
Corporate OH Fees	270	267	3	1.1%	2,102	2,138	(35)	(1.7%)
Bad Debts	(0)	(0)	0	(43.3%)	(3)	(2)	(1)	29.1%
FX	47	—	47	N/A	4	—	4	N/A
JV Loss (Income)	(28)	(6)	(22)	395.1%	(150)	(65)	(85)	129.2%
Other Expenses	—	1	(1)	(100.0%)	0	4	(4)	(93.8%)
Total Opex	\$ 348	\$ 333	\$ 15	4.6%	\$ 2,178	\$ 2,650	\$ (472)	(17.8%)

Management Discussion

Net Revenue – Aug-20: +\$782K:

- Sales volume increased by 17.1% or \$639k due to increase in demand across majority of the customers including Royal Vinylbilt, ATIS, Wardco, All Weather, Seymore and Quaker.
- Unfavorable rebates/accruals \$7k due increase in sales volume
- Higher returns by \$7k due to increase in returns from Ostaco, Quaker and Amherst
- Favorable product/customer mix of \$142k mainly driven by Customer mix, regrind sales and higher ASP to Escape and Wardco
- Favorable F/X of \$16k (actual rate of 1.3222 [or \$USD 0.7563] vs. 1.33 [or \$USD 0.7519])

EBITDA – Aug-20: +\$117K:

- Material COGS:** Increased costs by \$648k primarily driven by increased sales volume \$401k, unfavorable product mix \$100k, unfavorable yield/MUV by \$98k due to lower yield (86.06% vs 88.22%) and lower regrind usage (16.13% vs 20.1% - 157k lbs less regrind usage) , higher finished good scrap \$73k, write off of FG inventory that could not be found \$17k.
- Labor COGS:** Decreased costs by \$3k. Lower full-time staff offset by higher temps.
- Other COGS:** Increased costs by \$5k driven by higher utilities \$97k (higher production and July under accrual caused by Global adjustment increase), lower T&D recovery \$65k (less tools being cut driven by Covid-19) and higher freight by \$53k (increased sales). Offset by favorable absorption \$92k lower premises costs \$89k (higher line charges to Eclipse) and lower warehouse expenses \$32k (exited disco warehouse and reduction of offsite trailers).
- Sales and Marketing:** higher by 4K on account of Royalty for Fenestra Door Sill.
- Administrative:** Decreased costs by \$14k primarily driven by lower wages and lower office expense.
- Other Opex:** Increase in costs by \$25k due unfavorable F/X revaluation of working capital balances by \$47k offset by equity income from JV by \$22K (Income of \$28k vs budgeted income of \$6k)

Key Customers – Gross Sales and Gross Margin %: Woodbridge

	Gross Sales (\$'000)														Gross Margin %																	
	MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var		MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var	
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	Bud	BP	%	Act	BP	%	Act	BP	%	Act	Bud	BP	%	Act	BP	%	
Customer:																																
Royal Vinylbilt Limited	\$ 1,065	\$ 743	\$ 322	43.3%	\$ 753	\$ 312	41.4%	\$ 6,261	\$ 6,320	\$ (59)	(0.9%)	\$ 6,335	\$ (73)	(1.2%)	(3.0%)	13.0%	(1,601)	(123.1%)	10.4%	(1,342)	(128.9%)	(3.5%)	13.0%	(1,655)	(127.3%)	10.4%	(1,396)	(134.1%)				
Quaker Window Products	613	567	46	8.1%	517	96	18.7%	4,463	4,172	291	7.0%	3,762	701	18.6%	15.6%	10.2%	539	52.8%	10.9%	465	42.5%	9.9%	10.2%	(34)	(3.3%)	10.9%	(106)	(9.7%)				
Vinyl-Pro Window Systems Inc	396	357	39	10.9%	354	42	11.9%	1,902	2,237	(335)	(15.0%)	2,197	(296)	(13.5%)	6.2%	7.8%	(160)	(20.6%)	8.2%	(198)	(24.2%)	1.4%	7.8%	(641)	(82.2%)	8.2%	(679)	(83.0%)				
All Weather Windows Ltd.	375	292	83	28.4%	257	118	46.1%	1,782	2,810	(1,029)	(36.6%)	2,203	(421)	(19.1%)	5.4%	19.0%	(1,358)	(71.5%)	16.1%	(1,071)	(66.4%)	6.0%	19.0%	(1,300)	(68.4%)	18.1%	(1,209)	(66.8%)				
Windsor Window Co OEM	452	390	62	16.0%	397	55	13.9%	3,360	2,861	499	17.4%	2,836	524	18.5%	20.0%	22.5%	(249)	(11.1%)	21.0%	(102)	(4.9%)	19.4%	22.5%	(311)	(13.8%)	21.3%	(190)	(8.9%)				
Dashwood Industries Inc	184	242	(58)	(23.9%)	235	(51)	(21.6%)	1,531	1,487	44	3.0%	1,433	98	6.8%	12.6%	16.0%	(344)	(21.5%)	17.8%	(527)	(29.6%)	11.6%	16.0%	(443)	(27.7%)	17.8%	(627)	(35.1%)				
Energi Terrebonne	185	382	(197)	(51.5%)	271	(86)	(31.7%)	969	1,813	(844)	(46.6%)	1,278	(309)	(24.2%)	(9.3%)	(2.0%)	(730)	364.9%	(6.3%)	(302)	48.0%	(15.3%)	(2.0%)	(1,333)	666.6%	(6.4%)	(894)	139.7%				
Vinylbilt Windows & Doors Corp	227	152	76	49.8%	220	7	3.4%	1,271	973	298	30.7%	1,391	(120)	(8.6%)	(12.0%)	(15.0%)	305	(20.3%)	(17.5%)	551	(31.6%)	(20.5%)	(15.0%)	(552)	36.8%	(17.5%)	(301)	17.2%				
Allsco Windows & Doors Corp	162	131	32	24.2%	121	41	34.2%	899	1,196	(297)	(24.8%)	1,067	(168)	(15.8%)	(18.9%)	(15.0%)	(394)	26.3%	(17.1%)	(184)	10.8%	(20.6%)	(15.0%)	(560)	37.3%	(17.6%)	(301)	17.1%				
PGT Industries Inc	140	138	2	1.6%	140	(0)	(0.2%)	1,030	812	218	26.9%	818	212	25.9%	29.1%	5.0%	2,407	481.4%	5.0%	2,407	481.4%	29.8%	5.0%	2,483	496.6%	5.0%	2,483	496.6%				
Ostaco 2000 Windoors Inc.	143	108	34	31.5%	144	(2)	(1.1%)	691	641	51	7.9%	843	(152)	(18.0%)	(8.4%)	5.0%	(1,338)	(267.6%)	13.8%	(2,223)	(160.5%)	(2.0%)	5.0%	(701)	(140.1%)	9.7%	(1,166)	(120.8%)				
Oran Ltd. (Barbados)	36	68	(31)	(46.5%)	70	(33)	(48.1%)	242	361	(119)	(32.9%)	367	(125)	(34.1%)	12.8%	8.0%	484	60.6%	8.0%	484	60.6%	12.4%	8.0%	440	55.0%	8.0%	440	55.0%				
Centennial Windows Ltd	87	69	18	26.0%	82	5	6.5%	334	302	31	10.4%	354	(20)	(5.7%)	30.7%	33.0%	(230)	(7.0%)	39.6%	(886)	(22.4%)	29.2%	33.0%	(376)	(11.4%)	39.6%	(1,032)	(26.1%)				
Seymour Windows Ltd	119	53	66	124.1%	86	33	38.5%	443	300	143	47.5%	482	(39)	(8.1%)	15.9%	19.6%	(366)	(18.7%)	19.6%	(366)	(18.7%)	10.2%	19.6%	(939)	(47.9%)	19.6%	(939)	(47.9%)				
Kohltech International Ltd	35	–	35	N/A	–	35	N/A	242	206	35	17.1%	67	175	261.2%	0.9%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	(0.6%)	10.0%	(1,064)	(106.4%)	10.0%	(1,064)	(106.4%)				
Mason Windows Ltd	27	27	(0)	(0.6%)	30	(3)	(11.5%)	205	221	(17)	(7.5%)	248	(43)	(17.5%)	9.1%	8.0%	111	13.9%	7.5%	164	21.9%	(2.7%)	8.0%	(1,066)	(133.3%)	7.4%	(1,006)	(136.0%)				
Integral Windows Systems	30	24	6	22.8%	27	3	11.3%	196	228	(32)	(14.2%)	250	(54)	(21.5%)	10.8%	8.0%	276	34.5%	8.0%	276	34.5%	6.8%	8.0%	(124)	(15.5%)	7.6%	(89)	(11.6%)				
Marlboro Windows	(1)	25	(26)	(105.4%)	23	(24)	(105.8%)	123	248	(125)	(50.5%)	229	(106)	(46.3%)	7.5%	6.0%	148	24.7%	6.0%	148	24.7%	22.3%	6.0%	1,632	272.0%	6.0%	1,632	272.0%				
Hunter Douglas - Colorado - Ship T	–	250	(250)	(100.0%)	44	(44)	(100.0%)	63	250	(187)	(74.7%)	44	19	43.3%	#DIV/0!	18.0%	–	#VALUE!	18.0%	NA	#VALUE!	59.1%	18.0%	4,111	228.4%	18.0%	4,111	228.4%				
Great Lakes Window Inc	25	19	6	32.1%	22	4	17.2%	94	137	(43)	(31.4%)	153	(59)	(38.3%)	33.3%	8.0%	2,532	316.6%	8.0%	2,532	316.6%	23.1%	8.0%	1,509	188.6%	8.0%	1,509	188.6%				
Other	473	(95)	568	(597.1%)	295	178	60.3%	2,082	1,248	834	66.8%	3,051	(968)	(31.7%)	24.6%	202.3%	(17,768)	(87.8%)	(70.8%)	9,539	(134.7%)	4.7%	(119.1%)	12,383	(103.9%)	(39.1%)	4,375	(112.0%)				
Total Gross	\$ 4,773	\$ 3,940	\$ 833	21.1%	\$ 4,086	\$ 687	16.8%	\$ 28,621	\$ 28,824	\$ (203)	(0.7%)	\$ 29,408	\$ (787)	(2.7%)	7.5%	5.7%	177	31.0%	3.5%	398	113.9%	11.9%	7.3%	464	63.7%	4.1%	781	189.4%				

Management Discussion

- Strong month for the plant with significant pickup in sales from various customers.
- Strong month for Royal Vinylbilt
- All Weather, Windsor, Vinylbilt and Seymore performed ahead of budget.
- Hunter Douglas, Dashwood and Oran having a slower month vs budget.

Key Performance Indicators - Woodbridge

ENERGI Woodbridge KPI Report	2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	YTD 2020
Health & Safety										
Recordable Incidents	0	0	0	0	0	0	0	0	0	0
TRIR (Total Recordable Incident Rate)	<1	0.49	0.49	0.50	0.52	0	0	0	0	0
Quality Performance										
Customer Complaints - per MLBS	3.2	4.0	5.4	3.8	3.9	9.4	3.4	7.8	11.70	6.2
Return as % of sales	0.41%	0.38%	0.72%	0.42%	0.62%	0.67%	0.27%	0.22%	0.89%	0.50%
Delivery Performance										
% on time in full	98.06%	98.86%	99.28%	98.3%	93.63%	87.06%	72.14%	84.53%	79.47%	89.16%
% by line items	98.06%	98.86%	99.28%	98.3%	93.63%	87.06%	72.14%	84.53%	79.47%	89.16%
Costs										
Yield	88.0%	85.64%	85.38%	87%	84.13%	86.08%	87.18%	86.7%	86.06%	86.26%
Alt/Regrind Compound Consumption Ratio	20.0%	20.04%	16.04%	22%	12.45%	17.80%	12.27%	13.3%	16.13%	16.54%
Direct Labour \$/lb produced	\$0.180	\$ 0.183	\$ 0.200	\$ 0.166	\$ 0.287	\$ 0.102	\$ 0.106	\$ 0.107	\$ 0.156	\$ 0.151
Indirect Labour (incl D&D) \$/lb produced	\$0.218	\$ 0.231	\$ 0.256	\$ 0.215	\$ 0.729	\$ 0.184	\$ 0.116	\$ 0.111	\$ 0.167	\$ 0.193
Inventory										
Days - TTM (Trailing 12 Months)	77.8	70	69	68	69	70	67	64	60	70

Comments

Quality: Complaints: Large complaint from Quaker for poor fit in punch (X0559), Vinyl Pro (good part scans difficult to discern from bad part scans) for poor punch fit and Ostaco for bowing X0431. Reinstated shift meetings on reduced scale to incorporate review of quality check completion and MRB follow-ups to reinforce quality expectations.

Returns: Ostaco \$20k, Quaker \$12k, Amherst Mouldings \$10k, Vinyl-Pro \$8k, Windsor \$5k

Delivery: Increase in BO because of limited production

Costs: Yield: Many short runs to accommodate changing customer priorities due to strong demand coupled with reduced. Scrap rate 2% higher than run rate in JV. Issues with tools (X1005, X0397, X8654) taking considerable and repeated efforts to start contributed to increased scrap.

Alt/Regrind: Periodic shortages of available regrind in 122 and 137 and considerable volume of profiles designed for mixed that ran 122 (X0898 major example) instead of mixed regrind. Regrind audits driving considerable follow-up action.

Full Year Woodbridge P&L Summary

\$'000	FY		Var		PY	Var	
	Fcst	Bud	\$	%		\$	%
Units Produced ('000)	26,210	31,879	(5,669)	(17.8%)	31,325	(5,115)	(16.3%)
Units Shipped ('000)	27,954	31,414	(3,460)	(11.0%)	30,618	(2,663)	(8.7%)
Bookings (\$'000)	\$ 37,584	\$ 39,734	\$ (2,150)	(5.4%)	\$ 50,018	\$ (12,434)	(24.9%)
Backlog ('\$000)	\$ 1,210	\$ 1,873	\$ (663)	(35.4%)	\$ 3,634	\$ (2,424)	(66.7%)
Gross Revenue	\$ 39,051	\$ 43,492	\$ (4,441)	(10.2%)	\$ 43,467	\$ (4,417)	(10.2%)
Adj. to Gross Revenue	(2,131)	(2,524)	393	(15.6%)	(2,352)	220	(9.4%)
Net Revenue	36,919	40,967	(4,048)	(9.9%)	41,116	(4,196)	(10.2%)
Material	24,323	26,300	(1,976)	(7.5%)	26,670	(2,347)	(8.8%)
Labor	7,532	9,558	(2,026)	(21.2%)	9,592	(2,061)	(21.5%)
Other COGS	3,804	2,123	1,682	79.2%	2,000	1,804	90.2%
Total COGS	35,660	37,980	(2,321)	(6.1%)	38,262	(2,603)	(6.8%)
Gross Margin	1,260	2,987	(1,727)	(57.8%)	2,853	(1,593)	(55.8%)
Gross Margin %	3.4%	7.3%			6.9%		
R&D	—	—	—	N/A	—	—	N/A
Sales & Marketing	206	227	(22)	(9.6%)	207	(2)	(0.8%)
Administrative	3,666	3,838	(172)	(4.5%)	3,830	(164)	(4.3%)
Other Opex	(433)	(112)	(321)	285.5%	(105)	(329)	314.2%
Total Opex	3,439	3,953	(514)	(13.0%)	3,933	(494)	(12.6%)
EBITDA	(2,179)	(966)	(1,213)	125.6%	(1,080)	(1,099)	101.8%
EBITDA %	(5.9%)	(2.4%)			(2.6%)		
Net Income (Loss)	\$ (5,077)	\$ (3,819)	\$ (1,258)	33.0%	\$ (3,933)	\$ (1,144)	29.1%
Capex	\$ (706)	\$ (1,365)	\$ 660	(48.3%)	\$ (2,083)	\$ 1,377	(66.1%)
Opex Overview:							
Payroll	\$ 553	\$ 690	\$ (137)	(19.9%)	\$ 642	\$ (89)	(13.9%)
Bonus	—	—	—	N/A	—	—	N/A
Commissions	—	—	—	N/A	—	—	N/A
Marketing	87	78	9	11.4%	66	21	32.0%
Benefits	(285)	—	(285)	N/A	—	(285)	N/A
Travel and entertainment	9	8	1	14.3%	17	(8)	(48.2%)
Rent and facilities	—	—	—	N/A	—	—	N/A
Insurance	38	38	(1)	(1.9%)	42	(5)	(10.9%)
Professional fees	47	10	37	385.3%	32	15	46.0%
Utilities, repair, maintenance, and security	20	31	(11)	(35.5%)	34	(14)	(41.4%)
Corporate OH Fees	3,122	3,207	(85)	(2.6%)	3,218	(96)	(3.0%)
Bad Debts	(4)	(4)	(0)	13.7%	(3)	(1)	49.0%
FX	4	—	4	N/A	41	(38)	(91.4%)
JV Loss (Income)	(151)	(112)	(39)	34.6%	(146)	(5)	3.7%
Other Expenses	0	7	(6)	(95.9%)	(11)	11	(102.5%)
Total Opex	\$ 3,439	\$ 3,953	\$ (514)	(13.0%)	\$ 3,933	\$ (494)	(12.6%)

Key Customers – Full Year Woodbridge

	Gross Sales (\$'000)									Gross Margin %									
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var			
	Fcst	Bud	\$	%	Act	\$	%			Fcst	Bud	BPs	%	Act	BPs	%			
Customer:																			
Royal Vinylbilt Limited	\$	8,592	\$	9,647	\$	(1,055)	(10.9%)	\$	9,266	\$	(674)	(7.3%)	(0.4%)	13.0%	(1,336)	(102.7%)	7.9%	(827)	(104.5%)
Quaker Window Products		5,797		6,093		(296)	(4.9%)		5,858		(61)	(1.0%)	10.8%	10.2%	58	5.6%	8.5%	225	26.4%
Vinyl-Pro Window Systems Inc		2,874		3,609		(736)	(20.4%)		3,328		(454)	(13.7%)	3.6%	7.8%	(418)	(53.6%)	17.2%	(1,354)	(78.9%)
All Weather Windows Ltd.		2,585		3,964		(1,379)	(34.8%)		3,090		(505)	(16.3%)	8.7%	19.0%	(1,034)	(54.4%)	(20.5%)	2,912	(142.4%)
Windsor Window Co OEM		4,161		3,952		209	5.3%		4,303		(142)	(3.3%)	20.1%	22.5%	(243)	(10.8%)	5.7%	1,439	253.5%
Dashwood Industries Inc		2,333		2,632		(299)	(11.4%)		2,450		(117)	(4.8%)	12.6%	16.0%	(340)	(21.3%)	19.0%	(637)	(33.6%)
Energi Terrebonne		1,282		2,256		(974)	(43.2%)		1,687		(406)	(24.0%)	(12.3%)	(2.0%)	(1,032)	516.0%	15.3%	(2,765)	(180.3%)
Vinylbilt Windows & Doors Corp		1,989		1,966		23	1.2%		2,048		(59)	(2.9%)	(18.2%)	(15.0%)	(323)	21.5%	11.3%	(2,957)	(260.6%)
Allsco Windows & Doors Corp		1,263		1,685		(423)	(25.1%)		1,431		(169)	(11.8%)	(19.0%)	(15.0%)	(395)	26.4%	3.9%	(2,290)	(580.1%)
PGT Industries Inc		1,312		1,190		122	10.2%		1,201		111	9.2%	26.1%	5.0%	2,112	422.5%	(8.8%)	3,490	(397.5%)
Ostaco 2000 Windoors Inc.		1,033		1,128		(95)	(8.5%)		1,251		(218)	(17.4%)	(1.8%)	5.0%	(678)	(135.6%)	6.3%	(803)	(128.4%)
Oran Ltd. (Barbados)		333		500		(167)	(33.4%)		448		(115)	(25.7%)	10.7%	8.0%	275	34.3%	13.4%	(266)	(19.8%)
Centennial Windows Ltd		464		489		(24)	(5.0%)		494		(30)	(6.0%)	30.8%	33.0%	(223)	(6.8%)	16.4%	1,441	88.1%
Seymour Windows Ltd		579		489		91	18.5%		634		(55)	(8.6%)	13.2%	19.6%	(640)	(32.7%)	17.1%	(390)	(22.8%)
Kohltech International Ltd		425		451		(26)	(5.7%)		86		339	393.0%	2.9%	10.0%	(712)	(71.2%)	32.2%	(2,935)	(91.1%)
Mason Windows Ltd		304		360		(56)	(15.6%)		368		(64)	(17.4%)	0.4%	8.0%	(756)	(94.5%)	37.1%	(3,662)	(98.8%)
Integral Windows Systems		246		301		(54)	(18.0%)		400		(153)	(38.4%)	7.2%	8.0%	(85)	(10.6%)	8.0%	(85)	(10.6%)
Marlboro Windows		160		301		(140)	(46.7%)		317		(156)	(49.4%)	18.3%	6.0%	1,234	205.7%	8.0%	1,034	129.3%
Hunter Douglas - Colorado - Ship T		126		250		(124)	(49.5%)		117		9	7.8%	35.9%	18.0%	1,794	99.7%	8.0%	2,794	349.3%
Great Lakes Window Inc		176		250		(74)	(29.5%)		246		(70)	(28.5%)	18.7%	8.0%	1,075	134.4%	7.0%	1,171	166.5%
Other		2,577		1,980		597	30.1%		4,444		(1,867)	(42.0%)	(25.2%)	(127.3%)	10,213	(80.2%)	(20.7%)	(448)	21.6%
Total Gross	\$	39,051	\$	43,492	\$	(4,441)	(10.2%)	\$	43,467	\$	(4,417)	(10.2%)	11.8%	6.7%	510	76.3%	6.6%	522	79.5%

Laval Summary P&L

\$'000

	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	2,078	1,816	262	14.4%	10,340	13,054	(2,714)	(20.8%)
Units Shipped ('000)	2,058	1,925	133	6.9%	10,969	12,689	(1,720)	(13.6%)
Bookings (\$'000)	\$ 3,679	\$ 3,609	\$ 70	1.9%	\$ 20,069	\$ 24,774	\$ (4,706)	(19.0%)
Backlog (\$'000)	\$ 3,877	\$ 2,773	\$ 1,104	39.8%	\$ 3,877	\$ 2,773	\$ 1,104	39.8%
Gross Revenue	\$ 3,762	\$ 3,513	\$ 249	7.1%	\$ 20,035	\$ 22,884	\$ (2,849)	(12.4%)
Adj. to Gross Revenue	(284)	(295)	11	(3.9%)	(1,591)	(1,795)	204	(11.4%)
Net Revenue	3,478	3,218	261	8.1%	18,444	21,089	(2,645)	(12.5%)
Material	1,543	1,476	66	4.5%	8,585	9,776	(1,190)	(12.2%)
Labor	475	500	(25)	(5.0%)	2,854	3,897	(1,043)	(26.8%)
Other COGS	207	234	(27)	(11.7%)	1,338	1,256	82	6.6%
Total COGS	2,225	2,211	14	0.6%	12,778	14,929	(2,151)	(14.4%)
Gross Margin	1,254	1,007	246	24.5%	5,665	6,160	(494)	(8.0%)
Gross Margin %	36.0%	31.3%			30.7%	29.2%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	157	136	21	15.6%	832	1,013	(181)	(17.8%)
Administrative	234	248	(15)	(5.9%)	1,819	1,977	(158)	(8.0%)
Other Opex	(2)	—	(2)	N/A	(234)	—	(234)	N/A
Total Opex	388	384	5	1.2%	2,417	2,989	(572)	(19.1%)
EBITDA	865	623	242	38.8%	3,248	3,170	78	2.5%
EBITDA %	24.9%	19.4%			17.6%	15.0%		
Net Income (Loss)	\$ 748	\$ 501	\$ 247	49.3%	\$ 2,349	\$ 2,247	\$ 101	4.5%
Capex	\$ (89)	\$ (48)	\$ (41)	83.7%	\$ (495)	\$ (1,045)	\$ 550	(52.6%)
Opex Overview:								
Payroll	\$ 94	\$ 110	\$ (17)	(15.1%)	\$ 633	\$ 861	\$ (228)	(26.5%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	75	52	24	46.5%	351	353	(2)	(0.5%)
Benefits	—	—	—	N/A	(247)	—	(247)	N/A
Travel and entertainment	3	3	0	1.2%	21	26	(5)	(19.6%)
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	4	5	(1)	(17.3%)	24	37	(14)	(36.3%)
Professional fees	0	6	(6)	(99.7%)	25	48	(23)	(48.8%)
Utilities, repair, maintenance, and	4	5	(1)	(23.2%)	36	40	(5)	(11.3%)
Corporate OH Fees	178	176	2	0.9%	1,391	1,411	(21)	(1.5%)
Bad Debts	—	—	—	N/A	—	—	—	N/A
FX	(2)	—	(2)	N/A	13	—	13	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	32	27	5	20.3%	171	213	(42)	(19.6%)
Total Opex	\$ 388	\$ 384	\$ 5	1.2%	\$ 2,417	\$ 2,989	\$ (572)	(19.1%)

Management Discussion

Net Revenue – Aug-20: +\$261K:

- Increase in sales volume by 6.9% or \$223k vs budget with increased demand from Atlantic, Kento, Nova, Dalmen and GL Theriault. Offset by decreased demand from Schluter Laflamme and Atis
- Returns in line with budget.
- Discounts higher by \$16k due to increased sales volume
- Favorable mix impact of \$4k due to asp on product for resale
- Favorable F/X of \$18k (actual rate of 1.3222 [or \$USD 0.7563] vs. 1.33 [or \$USD 0.7519])

EBITDA – Aug-20: +\$242K:

- **Material COGS:** Increase in costs by \$66k primarily driven by increased volume \$102k and unfavorable product mix by \$79k (variance on resale products). Offset by improved PPV \$81k, improved usage \$15k and yields \$22k (better yield at 90.93% versus budget of 87.9%).
- **Labor COGS:** Decrease in Labor of \$25k vs budget largely due to lower IDL due to layoffs.
- **Other COGS:** Decrease in costs by \$27k driven by favorable absorption of \$41k. Offset by lower tool and die recovery \$12k.
- **Sales and Marketing:** Increase in cost by \$21k driven by higher advertising costs (timing of Concerto)
- **Administrative:** Decrease in cost by \$15k driven by lower wages (layoff Covid-19) and lower professional fee
- **Other Opex:** Favorable F/X revaluation of working capital balances \$2k.

Key Customers – Gross Sales and Gross Margin %: Laval

	QTD		Var		PY-QTD		Var		YTD		Var		PY-YTD		Var		QTD		Var		PY-QTD		Var		YTD		Var		PY-YTD		Var	
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	Bud	\$	%	Act	Bud	\$	%	Act	Bud	\$	%		
Customer:																																
SOLARIS QUEBEC P & F INC.	\$ 544	\$ 648	\$ (104)	(16.0%)	\$ 603	\$ (59)	(9.8%)	\$ 2,380	\$ 3,011	\$ (631)	(21.0%)	\$ 2,859	\$ (479)	(16.7%)	25.1%	25.0%	6	0.3%	24.7%	46	1.9%	24.5%	24.3%	17	0.7%	23.9%	53	2.2%				
ATLANTIC WINDOWS	813	529	284	53.6%	707	105	14.9%	2,189	2,012	177	8.8%	2,187	2	0.1%	14.1%	14.9%	(84)	(5.6%)	14.7%	(60)	(4.1%)	14.6%	15.1%	(54)	(3.6%)	14.9%	(30)	(2.0%)				
SCHLUTER SYSTEMS L.P.	377	512	(135)	(26.5%)	498	(121)	(24.3%)	1,926	1,611	316	19.6%	1,550	376	24.3%	17.8%	24.2%	(637)	(26.4%)	23.8%	(602)	(25.3%)	22.5%	24.5%	(196)	(8.0%)	24.1%	(160)	(6.6%)				
PTES & FEN ISOTHERMIC INC	307	345	(38)	(11.0%)	351	(44)	(12.4%)	942	1,377	(436)	(31.6%)	1,307	(365)	(27.9%)	22.2%	23.9%	(162)	(6.8%)	23.5%	(121)	(5.2%)	21.8%	21.9%	(13)	(0.6%)	21.6%	17	0.8%				
LAFLAMME PORTES	306	424	(118)	(27.9%)	388	(82)	(21.2%)	929	1,287	(357)	(27.8%)	1,260	(331)	(26.3%)	(11.3%)	(12.8%)	148	(11.6%)	(12.8%)	147	(11.5%)	(12.0%)	(13.4%)	145	(10.8%)	(13.3%)	130	(9.8%)				
PORTES & FENETRES ABRITEK	315	388	(73)	(18.8%)	314	1	0.5%	827	1,123	(296)	(26.4%)	984	(157)	(16.0%)	29.7%	31.4%	(171)	(5.4%)	31.2%	(145)	(4.6%)	28.5%	31.1%	(259)	(8.3%)	30.7%	(216)	(7.0%)				
ATIS PORTES & FENETRES	169	251	(83)	(32.9%)	281	(113)	(40.0%)	787	981	(194)	(19.7%)	1,104	(317)	(28.7%)	(17.9%)	(16.9%)	(99)	5.9%	(16.4%)	(143)	8.7%	(17.0%)	(16.7%)	(38)	2.3%	(16.3%)	(77)	4.8%				
EXTREME ENTRANCE SYSTEMS	409	359	50	13.8%	347	62	17.9%	1,094	1,038	56	5.3%	979	115	11.7%	15.8%	15.7%	19	1.2%	15.4%	42	2.7%	16.3%	15.9%	40	2.5%	15.6%	63	4.1%				
LES FENETRES CONCEPT.	207	245	(38)	(15.4%)	194	13	6.8%	646	883	(237)	(26.9%)	819	(174)	(21.2%)	15.6%	16.4%	(83)	(5.1%)	16.2%	(63)	(3.9%)	15.3%	15.4%	(13)	(0.8%)	15.2%	12	0.8%				
FENERGIC INC	195	165	30	18.0%	141	54	38.2%	736	671	66	9.8%	630	107	17.0%	21.7%	15.1%	657	43.4%	14.8%	691	46.7%	16.4%	16.0%	41	2.6%	15.8%	62	3.9%				
P & C EDDY BOULET INC	169	167	2	1.4%	171	(2)	(0.9%)	521	569	(48)	(8.4%)	591	(70)	(11.8%)	18.6%	25.6%	(695)	(27.2%)	25.2%	(657)	(26.1%)	18.7%	22.5%	(377)	(16.8%)	22.2%	(343)	(15.5%)				
KENTO WINDOWS & DOORS	230	171	60	35.2%	139	92	66.3%	557	504	53	10.5%	464	93	20.0%	31.7%	30.4%	128	4.2%	30.6%	105	3.4%	32.0%	32.5%	(46)	(1.4%)	32.2%	(18)	(0.6%)				
FUTURA MANUFACTURIER	95	80	15	18.6%	77	17	22.7%	194	270	(76)	(28.0%)	249	(54)	(21.8%)	10.5%	9.3%	119	12.8%	9.1%	136	14.9%	11.6%	6.5%	514	79.5%	6.4%	521	81.5%				
VAILLANCOURT INC.	99	87	12	14.4%	82	18	21.6%	296	372	(75)	(20.3%)	309	(13)	(4.1%)	30.8%	28.3%	245	8.6%	27.9%	285	10.2%	27.7%	26.4%	125	4.7%	26.1%	160	6.1%				
FENESTRA PURCHASING - GOLDEN	109	71	38	54.0%	111	(2)	(1.6%)	323	351	(28)	(7.9%)	417	(94)	(22.6%)	(3.7%)	(4.1%)	46	(11.0%)	(3.8%)	10	(2.5%)	(5.0%)	(1.7%)	(331)	190.3%	(1.8%)	(328)	185.2%				
FENÊTRES PRÉSIDENT	15	90	(75)	(83.4%)	–	15	N/A	15	271	(256)	(94.5%)	–	15	N/A	27.3%	23.6%	370	15.7%	#DIV/0!	NA	#DIV/0!	27.3%	23.6%	370	15.7%	#DIV/0!	NA	#DIV/0!				
PRODUITS DALMEN PRODUCTS	120	64	56	86.7%	88	32	35.9%	309	236	72	30.6%	322	(14)	(4.3%)	17.8%	18.7%	(88)	(4.7%)	18.4%	(61)	(3.3%)	17.8%	18.3%	(44)	(2.4%)	18.0%	(18)	(1.0%)				
ENTREPRISES DOCO INC.	61	62	(1)	(1.5%)	61	(0)	(0.1%)	190	248	(59)	(23.7%)	283	(94)	(33.1%)	23.3%	22.2%	105	4.7%	21.6%	166	7.7%	22.3%	23.6%	(130)	(5.5%)	23.3%	(96)	(4.1%)				
G R THERIAULT	128	93	35	37.7%	124	3	2.6%	245	235	9	3.9%	271	(26)	(9.7%)	24.9%	25.8%	(92)	(3.6%)	25.6%	(70)	(2.7%)	24.0%	23.2%	80	3.5%	23.1%	92	4.0%				
LAS ENTERPRISES	86	68	18	26.2%	49	37	76.9%	251	267	(16)	(5.9%)	263	(12)	(4.4%)	39.0%	53.1%	(1,411)	(26.6%)	51.2%	(1,224)	(23.9%)	41.4%	50.1%	(866)	(17.3%)	49.1%	(766)	(15.6%)				
Other	1,646	1,391	255	18.3%	1,480	165	11.2%	4,678	5,567	(890)	(16.0%)	5,424	(746)	(13.8%)	63.4%	63.7%	(25)	(0.4%)	2.7%	6,072	2247.0%	67.1%	57.4%	970	16.9%	27.6%	3,957	143.5%				
Total Gross	\$ 6,399	\$ 6,210	\$ 189	3.0%	\$ 6,206	\$ 194	3.1%	\$ 20,035	\$ 22,884	\$ (2,849)	(12.4%)	\$ 22,273	\$ (2,238)	(10.0%)	28.8%	27.5%	127	4.6%	26.1%	274	10.5%	28.2%	26.8%	136	5.1%	27.0%	119	4.4%				

Management Discussion

- Strong momentum continues for Atlantic
- Slow month for Schluter however ahead of YTD budget
- Atis and Isothermic remain behind budget

Key Performance Indicators - Laval

ENERGI Laval Extrusion KPI Report	2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	YTD 2020
Health & Safety										
<i>Recordable Incidents</i>	0	1	0	0	0	0	0	0	1	2
<i>TRIR (Total Recordable Incident Rate)</i>	<1	2.41	1.62	1.62	1.73	1.82	1.8	0.93	1.93	0.93
Quality Performance										
<i>Customer Complaints - per MLBS</i>	17.7	16.8	11.5	18.25	68.1	20.2	12.0	5.8	11.07	20.5
<i>Return as % of sales</i>	0.72%	1.24%	0.40%	0.82%	0.00%	0.63%	0.46%	0.27%	0.06%	0.46%
Delivery Performance										
<i>% on time in full</i>	95.00%	99.94%	99.78%	98.38%	84.70%	87.27%	82.09%	85.39%	87.33%	90.61%
<i>% by line items</i>	99.00%	99.94%	99.78%	98.38%	84.70%	87.27%	82.09%	85.39%	87.33%	90.61%
Costs										
<i>Yield</i>	87.87%	89.03%	89.77%	89.54%	93.02%	89.18%	90.00%	89.35%	90.93%	89.85%
<i>Alt/Regrind Compound Consumption Ratio</i>	15.20%	21.47%	21.05%	14.35%	30.25%	18.02%	16.28%	23.70%	15.39%	18.56%
<i>Direct Labour \$/lb produced</i>	\$0.192	\$ 0.219	\$0.187	\$ 0.183	\$ 0.416	\$ 0.186	\$ 0.113	\$ 0.088	\$ 0.153	\$ 0.162
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.216	\$ 0.285	\$0.218	\$ 0.220	\$ 0.429	\$ 0.208	\$ 0.121	\$ 0.099	\$ 0.149	\$ 0.183
Inventory										
<i>Days - TTM (Trailing 12 Months)</i>	67.3	72	71	70	72	73	70	70	66	71

Comments:

Safety: Employee cut finger with knife (no lost time)

Quality: 23 complaints in total representing less than \$3k. There are 11 each by Isothermic and Abritek. The other is by Home Steel.

Delivery: Increase in backorders due to limited production

Full Year Laval P&L Summary

	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Fcst	\$	%	
Units Produced ('000)	16,067	18,951	(2,885)	(15.2%)	19,150	(3,084)	(16.1%)	
Units Shipped ('000)	16,569	19,217	(2,648)	(13.8%)	18,815	(2,246)	(11.9%)	
Bookings (\$'000)	\$ 29,391	\$ 36,128	\$ (6,737)	(18.6%)	\$ 50,018	\$ (20,627)	(41.2%)	
Backlog ('\$000)	\$ 1,955	\$ 2,398	\$ (443)	(18.5%)	\$ 3,634	\$ (1,679)	(46.2%)	
Gross Revenue	\$ 29,607	\$ 34,581	\$ (4,975)	(14.4%)	\$ 34,485	\$ (4,878)	(14.1%)	
Adj. to Gross Revenue	(2,420)	(2,806)	386	(13.7%)	(2,943)	522	(17.7%)	
Net Revenue	27,186	31,775	(4,589)	(14.4%)	31,542	(4,356)	(13.8%)	
Material	12,755	14,776	(2,021)	(13.7%)	14,634	(1,879)	(12.8%)	
Labor	4,639	5,817	(1,178)	(20.3%)	5,843	(1,204)	(20.6%)	
Other COGS	1,809	2,137	(328)	(15.3%)	1,926	(116)	(6.0%)	
Total COGS	19,203	22,730	(3,527)	(15.5%)	22,402	(3,200)	(14.3%)	
Gross Margin	7,983	9,046	(1,062)	(11.7%)	9,140	(1,157)	(12.7%)	
<i>Gross Margin %</i>	<i>29.4%</i>	<i>28.5%</i>			<i>29.0%</i>			
R&D	—	—	—	N/A	—	—	N/A	
Sales & Marketing	1,280	1,517	(237)	(15.6%)	1,754	(474)	(27.0%)	
Administrative	2,747	2,967	(220)	(7.4%)	2,978	(231)	(7.8%)	
Other Opex	(234)	—	(234)	N/A	(7)	(227)	3336.8%	
Total Opex	3,793	4,484	(691)	(15.4%)	4,725	(932)	(19.7%)	
EBITDA	4,191	4,562	(372)	(8.1%)	4,415	(225)	(5.1%)	
<i>EBITDA %</i>	<i>15.4%</i>	<i>14.4%</i>			<i>14.0%</i>			
Net Income (Loss)	\$ 2,814	\$ 3,136	\$ (322)	(10.3%)	\$ 3,095	\$ (282)	(9.1%)	
Capex	\$ (777)	\$ (1,235)	\$ 458	(37.1%)	\$ (1,030)	\$ 253	(24.6%)	
<u>Opex Overview:</u>								
Payroll	\$ 1,020	\$ 1,296	\$ (276)	(21.3%)	\$ 1,262	\$ (242)	(19.2%)	
Bonus	—	—	—	N/A	—	—	N/A	
Commissions	—	—	—	N/A	—	—	N/A	
Marketing	503	524	(22)	(4.1%)	770	(267)	(34.7%)	
Benefits	(247)	—	(247)	N/A	—	(247)	N/A	
Travel and entertainment	33	39	(7)	(16.8%)	50	(17)	(34.4%)	
Rent and facilities	—	—	—	N/A	—	—	N/A	
Insurance	42	56	(14)	(25.7%)	53	(12)	(21.7%)	
Professional fees	46	72	(26)	(36.3%)	92	(46)	(50.3%)	
Utilities, repair, maintenance, and security	53	60	(7)	(11.3%)	68	(15)	(21.4%)	
Corporate OH Fees	2,064	2,117	(52)	(2.5%)	2,125	(60)	(2.8%)	
Bad Debts	—	—	—	N/A	—	—	N/A	
FX	13	—	13	N/A	(7)	20	(293.2%)	
JV Loss (Income)	—	—	—	N/A	—	—	N/A	
Other Expenses	265	319	(54)	(16.8%)	312	(46)	(14.9%)	
Total Opex	\$ 3,793	\$ 4,484	\$ (691)	(15.4%)	\$ 4,725	\$ (932)	(19.7%)	

Key Customers – Full Year Laval

	Gross Sales (\$'000)									Gross Margin %										
	FY		FY		Var		PY		Var		FY		FY		Var		PY		Var	
	Fcst		Bud		\$	%	Act		\$	%	Fcst		Bud		BPs	%	Act		BPs	%
Customer:																				
SOLARIS QUEBEC P & F INC.	\$	3,580	\$	4,474	\$	(894)	(20.0%)	\$	4,265	\$	(685)	(16.1%)	24.6%	24.4%	13	0.5%	24.0%	53	2.2%	
ATLANTIC WINDOWS		3,190		3,233		(43)	(1.3%)		3,352		(162)	(4.8%)	14.4%	14.8%	(41)	(2.8%)	14.5%	(13)	(0.9%)	
SCHLUTER SYSTEMS L.P.		2,604		2,400		204	8.5%		2,664		(61)	(2.3%)	21.6%	23.3%	(168)	(7.2%)	21.6%	(1)	(0.0%)	
PTES & FEN ISOTHERMIC INC		1,565		2,142		(577)	(26.9%)		2,064		(499)	(24.2%)	22.1%	22.3%	(18)	(0.8%)	22.0%	10	0.5%	
LAFLAMME PORTES		1,570		2,068		(498)	(24.1%)		1,959		(389)	(19.9%)	(12.5%)	(13.4%)	99	(7.4%)	(13.2%)	78	(5.9%)	
PORTES & FENETRES ABRITEK		1,385		1,805		(419)	(23.2%)		1,629		(244)	(15.0%)	29.1%	30.9%	(172)	(5.6%)	30.4%	(121)	(4.0%)	
ATIS PORTES & FENETRES		1,278		1,579		(301)	(19.1%)		1,713		(435)	(25.4%)	(17.5%)	(17.2%)	(32)	1.9%	(16.9%)	(61)	3.6%	
EXTREME ENTRANCE SYSTEMS		1,476		1,504		(28)	(1.9%)		1,491		(15)	(1.0%)	16.1%	15.8%	30	1.9%	15.7%	39	2.5%	
LES FENETRES CONCEPT.		942		1,250		(308)	(24.6%)		1,163		(221)	(19.0%)	15.8%	15.9%	(14)	(0.9%)	15.7%	6	0.4%	
FENERGIC INC		1,064		1,074		(10)	(0.9%)		1,074		(10)	(1.0%)	17.1%	16.2%	89	5.5%	16.2%	89	5.5%	
P & C EDDY BOULET INC		860		981		(122)	(12.4%)		1,041		(181)	(17.4%)	20.6%	23.7%	(304)	(12.9%)	23.5%	(289)	(12.3%)	
KENTO WINDOWS & DOORS		730		714		16	2.2%		644		86	13.3%	32.7%	33.0%	(34)	(1.0%)	32.8%	(14)	(0.4%)	
FUTURA MANUFACTURIER		377		492		(116)	(23.5%)		393		(16)	(4.0%)	10.1%	7.3%	281	38.5%	7.4%	268	36.1%	
VAILLANCOURT INC.		392		489		(96)	(19.7%)		473		(81)	(17.1%)	46.4%	26.4%	2,005	76.1%	25.9%	2,046	78.9%	
FENESTRA PURCHASING - GOLDEN		405		451		(46)	(10.1%)		621		(216)	(34.7%)	(4.2%)	(1.8%)	(245)	135.9%	(1.6%)	(261)	159.9%	
FENÊTRES PRÉSIDENT		163		451		(288)	(63.8%)		—		163	N/A	24.1%	23.6%	47	2.0%	#DIV/0!	NA	#DIV/0!	
PRODUITS DALMEN PRODUCTS		460		421		38	9.1%		499		(39)	(7.8%)	17.4%	17.6%	(18)	(1.0%)	17.5%	(5)	(0.3%)	
ENTREPRISES DOCO INC.		319		406		(87)	(21.5%)		419		(101)	(24.0%)	22.2%	22.9%	(73)	(3.2%)	22.6%	(41)	(1.8%)	
G R THERIAULT		385		406		(21)	(5.2%)		412		(27)	(6.5%)	24.2%	23.8%	35	1.5%	23.9%	32	1.3%	
LAS ENTERPRISES		366		400		(34)	(8.6%)		360		5	1.5%	43.8%	51.3%	(746)	(14.6%)	49.6%	(576)	(11.6%)	
Other		6,498		7,841		(1,344)	(17.1%)		8,248		(1,751)	(21.2%)	64.2%	59.1%	503	8.5%	2.7%	6,151	2316.7%	
Total Gross	\$	29,607	\$	34,581	\$	(4,975)	(14.4%)	\$	34,485	\$	(4,878)	(14.1%)	27.4%	26.5%	95	3.6%	26.5%	94	3.5%	

Delmont Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	2,034	1,960	74	3.8%	13,541	15,025	(1,484)	(9.9%)
Units Shipped ('000)	1,867	1,962	(95)	(4.8%)	14,701	15,515	(814)	(5.2%)
Bookings (\$'000)	\$ 3,342	\$ 3,390	\$ (49)	(1.4%)	\$ 25,987	\$ 26,836	\$ (849)	(3.2%)
Backlog (\$'000)	\$ 2,315	\$ 1,568	\$ 747	47.7%	\$ 2,315	\$ 1,568	\$ 747	47.7%
Gross Revenue	\$ 3,400	\$ 3,496	\$ (96)	(2.7%)	\$ 26,350	\$ 27,667	\$ (1,317)	(4.8%)
Adj. to Gross Revenue	(106)	(106)	(0)	0.3%	(790)	(831)	41	(4.9%)
Net Revenue	3,294	3,390	(96)	(2.8%)	25,559	26,836	(1,277)	(4.8%)
Material	1,596	1,646	(50)	(3.0%)	12,111	13,078	(967)	(7.4%)
Labor	556	682	(127)	(18.6%)	4,676	5,384	(708)	(13.1%)
Other COGS	254	273	(18)	(6.8%)	2,512	2,416	96	4.0%
Total COGS	2,406	2,601	(195)	(7.5%)	19,299	20,878	(1,579)	(7.6%)
Gross Margin	888	789	99	12.5%	6,260	5,958	302	5.1%
Gross Margin %	27.0%	23.3%			24.5%	22.2%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	12	14	(2)	(12.4%)	83	113	(30)	(26.9%)
Administrative	215	224	(9)	(3.9%)	1,777	1,789	(12)	(0.7%)
Other Opex	—	—	—	N/A	—	—	—	N/A
Total Opex	228	238	(11)	(4.4%)	1,860	1,902	(43)	(2.2%)
EBITDA	661	551	109	19.8%	4,400	4,056	344	8.5%
EBITDA %	20.1%	16.3%			17.2%	15.1%		
Net Income (Loss)	\$ 492	\$ 388	\$ 104	26.9%	\$ 3,020	\$ 2,805	\$ 215	7.7%
Capex	\$ (122)	\$ (73)	\$ (49)	67.1%	\$ (356)	\$ (959)	\$ 604	(62.9%)
Opex Overview:								
Payroll	\$ 52	\$ 62	\$ (10)	(15.4%)	\$ 461	\$ 490	\$ (29)	(5.9%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	—	—	—	N/A	—	—	—	N/A
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	0	0	0	142.3%	2	0	2	5247.4%
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	—	—	—	N/A	—	—	—	N/A
Professional fees	—	—	—	N/A	12	—	12	N/A
Utilities, repair, maintenance, an	1	3	(2)	(56.3%)	20	25	(5)	(19.0%)
Corporate OH Fees	165	166	(1)	(0.5%)	1,323	1,327	(4)	(0.3%)
Bad Debts	—	—	—	N/A	—	—	—	N/A
FX	—	—	—	N/A	—	—	—	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	9	8	2	20.9%	42	61	(19)	(30.6%)
Total Opex	\$ 228	\$ 238	\$ (11)	(4.4%)	\$ 1,860	\$ 1,902	\$ (43)	(2.2%)

Management Discussion

Net Revenue – Aug-20: (\$96K):

- Sales volume down 4.8% or \$62k driven by decreased demand from Polaris (\$139k) and Brunswick (\$74k) offset by higher PGT \$56k and Yoders \$40k.
- Returns slightly behind budget by \$2k.
- Rebates slightly behind budget by \$3k.
- Favorable mix impact of \$73k or \$0.04/lb

EBITDA – Aug-20: +\$109K :

- Material COGS:** Decrease in costs by \$60k primarily driven by decreased sales volumes \$80k and lower freight and packaging by \$19k, a higher yield of \$5k. Offset by unfavourable price mix \$42k and higher reserves by \$8k.
- Labor COGS:** Decrease in cost by \$127K driven by lower headcount.
- Other COGS:** Decrease in cost by \$18k driven by lower maintenance spend by \$22k and lower utilities by \$13k and lower freight costs by 15k. Offset by a lower tool and die recovery by \$41k
- Sales and Marketing:** in line with budget
- Administrative:** Decrease in costs by \$9k due to lower headcount and decreased office expense

Key Customers – Gross Sales and Gross Margin %: Delmont

	Gross Sales (\$'000)														Gross Margin %													
	MTD		Var		PY-MTD	Var		YTD		Var		PY-YTD	Var		MTD		Var		PY-MTD	Var		YTD		Var		PY-YTD	Var	
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	Bud	BP	%	Act	BP	%	Act	Bud	BP	%	Act	BP	%
Customer:																												
PGT Industries Inc	\$ 1,906	\$ 1,850	\$ 56	3.0%	\$ 1,789	\$ 117	6.5%	\$ 14,693	\$ 14,775	\$ (82)	(0.6%)	\$ 14,372	\$ 321	2.2%	27.0%	22.1%	494	22.4%	19.7%	726	36.8%	22.6%	20.7%	195	9.4%	20.7%	193	9.3%
Polaris Technologies	381	520	(139)	(26.7%)	420	(39)	(9.3%)	2,973	4,035	(1,062)	(26.3%)	3,548	(575)	(16.2%)	18.9%	15.4%	347	22.5%	17.1%	177	10.3%	16.5%	14.9%	157	10.5%	15.2%	128	8.4%
Comfort View Products	164	180	(16)	(8.9%)	249	(85)	(34.1%)	1,462	1,440	22	1.5%	1,478	(16)	(1.1%)	26.1%	21.6%	450	20.8%	18.5%	766	41.5%	20.8%	20.2%	61	3.0%	20.0%	78	3.9%
Sierra Pacific Windows	292	255	37	14.5%	234	58	24.8%	2,100	2,005	95	4.7%	1,805	295	16.3%	16.1%	9.2%	689	74.8%	5.0%	1,111	222.2%	11.9%	8.8%	313	35.6%	8.5%	338	39.6%
Atrium Windows & Doors	118	130	(12)	(9.2%)	146	(28)	(19.2%)	922	1,025	(103)	(10.0%)	971	(49)	(5.0%)	36.1%	40.5%	(445)	(11.0%)	39.7%	(362)	(9.1%)	32.7%	38.6%	(589)	(15.2%)	38.8%	(609)	(15.7%)
Regency Plus, Inc.	166	210	(44)	(21.0%)	168	(2)	(1.2%)	1,249	1,535	(286)	(18.6%)	1,339	(90)	(6.7%)	27.2%	20.6%	658	31.9%	17.3%	987	57.1%	24.2%	21.3%	289	13.6%	21.0%	317	15.1%
Brunswick Bowling And Billiards	76	150	(74)	(49.3%)	237	(161)	(67.9%)	706	1,160	(454)	(39.1%)	1,130	(424)	(37.5%)	50.7%	42.7%	808	18.9%	39.2%	1,151	29.3%	48.0%	41.5%	659	15.9%	41.2%	687	16.7%
Qubicaamf Worlwide LCC	49	80	(31)	(38.8%)	88	(39)	(44.3%)	538	625	(87)	(13.9%)	661	(123)	(18.6%)	45.3%	43.7%	163	3.7%	42.8%	253	5.9%	47.7%	41.9%	574	13.7%	44.8%	285	6.4%
NewSouth Window Solutions, LLC	60	50	10	20.0%	–	60	N/A	380	270	110	40.7%	239	141	59.0%	40.0%	31.0%	907	29.3%	#DIV/0!	NA	#DIV/0!	31.6%	42.2%	(1,058)	(25.1%)	41.1%	(944)	(23.0%)
Great Day Improvement, LLC	54	30	24	80.0%	71	(17)	(23.9%)	390	235	155	66.0%	239	151	63.2%	39.3%	37.6%	176	4.7%	33.9%	544	16.1%	36.6%	36.4%	22	0.6%	33.9%	269	7.9%
Yoders Window & Siding	40	–	40	N/A	47	(7)	(14.9%)	193	205	(12)	(5.9%)	213	(20)	(9.4%)	39.1%	#DIV/0! –	#VALUE!	42.4%	(338)	(8.0%)	42.7%	36.3%	639	17.6%	35.8%	687	19.2%	
Fairway Building Products	3	–	3	N/A	–	3	N/A	3	–	3	N/A	60	(57)	(95.0%)	56.8%	#DIV/0! –	#VALUE!	#DIV/0!	NA	#DIV/0!	56.8%	#DIV/0! –	#DIV/0!	–	#DIV/0!	#DIV/0!	3,400	149.2%
Graber Manufacturing Llc	–	–	-	N/A	–	-	N/A	–	–	-	N/A	–	-	N/A	#DIV/0!	#DIV/0! –	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0! –	#DIV/0!	#DIV/0!	NA	#DIV/0!		
Columbia Industries, Inc.	–	–	-	N/A	–	-	N/A	–	39	(39)	(100.0%)	53	(53)	(100.0%)	#DIV/0!	#DIV/0! –	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	46.2%	–	#VALUE!	39.0%	NA	#VALUE!	
Jeld-Wen Windows & Doors	1	3	(2)	(66.7%)	5	(4)	(80.0%)	18	18	-	0.0%	19	(1)	(5.3%)	36.6%	14.4%	2,216	153.5%	19.3%	1,728	89.4%	20.1%	18.3%	181	9.9%	18.7%	144	7.7%
Constant Distribution LLC	–	–	-	N/A	–	-	N/A	–	–	-	N/A	7	(7)	(100.0%)	#DIV/0!	#DIV/0! –	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0! –	#DIV/0!	(36.6%)	NA	#VALUE!		
CGI	37	10	27	270.0%	18	19	105.6%	232	75	157	209.3%	73	159	217.8%	(16.4%)	10.0%	(2,640)	(265.0%)	27.1%	(4,350)	(160.7%)	(34.9%)	10.0%	(4,496)	(448.3%)	8.0%	(4,298)	(534.0%)
East Central Indiana Vinyl MFG, LLc	–	2	(2)	(100.0%)	3	(3)	(100.0%)	13	18	(5)	(27.8%)	19	(6)	(31.6%)	#DIV/0!	60.8%	–	#VALUE!	42.5%	NA	#VALUE!	54.2%	46.8%	736	15.7%	52.9%	128	2.4%
Lakeland Polymers, LLC	–	1	(1)	(100.0%)	1	(1)	(100.0%)	24	12	12	100.0%	11	13	118.2%	#DIV/0!	(155.8%)	–	#VALUE!	(183.0%)	NA	#VALUE!	(44.0%)	(92.7%)	4,874	(52.6%)	(118.5%)	7,450	(62.9%)
JP Industrial Products Inc	–	–	-	N/A	–	-	N/A	–	–	-	N/A	–	-	N/A	#DIV/0!	#DIV/0! –	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0! –	#DIV/0!	#DIV/0!	NA	#DIV/0!		
Other	53	25	28	112.2%	92	(39)	(42.6%)	454	195	259	132.7%	457	(3)	(0.6%)	12.3%	11.2%	111	9.8%	3.1%	923	297.6%	80.7%	10.8%	6,991	646.9%	4.0%	7,672	1918.5%
Total Gross	\$ 3,400	\$ 3,496	\$ (96)	(2.7%)	\$ 3,568	\$ (168)	(4.7%)	\$ 26,350	\$ 27,667	\$ (1,317)	(4.8%)	\$ 26,694	\$ (344)	(1.3%)	26.1%	22.6%	355	15.7%	21.1%	504	23.9%	23.7%	21.4%	226	10.6%	21.3%	233	10.9%

Management Discussion

- PGT ahead of budget along with Great Day, Sierra Pacific and CGI
- Polaris and Brunswick continue to remain soft.

Key Performance Indicators - Delmont

ENERGI Delmont Extrusion KPI Report	2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	YTD 2020
Health & Safety										
<i>Recordable Incidents</i>	0	0	0	0	0	0	0	0	0	0
<i>TRIR (Total Recordable Incident Rate)</i>	<1	3.7	3.7	2.22	1.53	1.57	1.59	1.63	1.57	1.63
Quality Performance										
<i>Customer Complaints - per MLBS</i>	2.9	1.1	2.8	2.72	0.7	2.4	2.3	1.2	0.0	1.65
<i>Return as % of sales</i>	0.30%	0.03%	0.21%	0.14%	0.03%	0.17%	0.32%	0.00%	0.17%	0.13%
Delivery Performance										
<i>% on time in full</i>	99.25%	97.86%	98.77%	99.35%	99.58%	99.60%	98.46%	97.82%	97.17%	98.58%
<i>% by line items</i>	99.60%	98.84%	99.61%	99.63%	99.81%	99.65%	98.89%	97.93%	96.03%	98.80%
Costs										
<i>Yield</i>	84.3%	86.11%	82.63%	84.1%	86%	85%	83%	84%	84.85%	84.33%
<i>Alt/Regrind Compound Consumption Ratio</i>	23.3%	20.3%	16.7%	18.3%	19%	26%	17%	16%	19.0%	18.94%
<i>Direct Labour \$/lb produced</i>	\$0.186	\$0.180	\$0.180	\$ 0.174	\$ 0.208	\$ 0.169	\$ 0.162	\$ 0.173	\$ 0.138	\$ 0.171
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.183	\$0.185	\$0.174	\$ 0.173	\$ 0.233	\$ 0.201	\$ 0.160	\$ 0.160	\$ 0.135	\$ 0.174
Inventory										
<i>Days - TTM (Trailing 12 Months)</i>	63.3	70.1	69.4	69.5	68	69	67	64	63.1	70.1

Comments:

Delivery: Lower inventory and increase in order intake. 1876 line items shipped with 53 having backorders. 4286 sku's shipped with 170 backordered.

Costs: Alt/Regrind usage: Less regrind available and lower bowling production.

Full Year Delmont P&L Summary

\$'000	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Fcst	\$		%
Units Produced ('000)	19,051	21,835	(2,784)	(12.8%)	20,887	(1,836)		(8.8%)
Units Shipped ('000)	20,429	22,498	(2,069)	(9.2%)	21,990	(1,561)		(7.1%)
Bookings (\$'000)	\$ 35,745	\$ 38,882	\$ (3,137)	(8.1%)	\$ 50,018	\$ (14,273)		(28.5%)
Backlog (\$'000)	\$ 1,696	\$ 1,568	\$ 128	8.2%	\$ 3,634	\$ (1,937)		(53.3%)
Gross Revenue	\$ 36,466	\$ 40,090	\$ (3,624)	(9.0%)	\$ 39,413	\$ (2,947)		(7.5%)
Adj. to Gross Revenue	(1,103)	(1,208)	105	(8.7%)	(1,153)	50		(4.3%)
Net Revenue	35,362	38,882	(3,520)	(9.1%)	38,260	(2,897)		(7.6%)
Material	16,886	18,946	(2,060)	(10.9%)	18,877	(1,992)		(10.6%)
Labor	7,023	8,070	(1,047)	(13.0%)	7,545	(523)		(6.9%)
Other COGS	3,491	3,486	5	0.2%	3,819	(328)		(8.6%)
Total COGS	27,400	30,502	(3,102)	(10.2%)	30,242	(2,842)		(9.4%)
Gross Margin	7,962	8,380	(418)	(5.0%)	8,017	(55)		(0.7%)
Gross Margin %	22.5%	21.6%			21.0%			
R&D	—	—	—	N/A	—	—		N/A
Sales & Marketing	121	169	(49)	(28.7%)	128	(7)		(5.4%)
Administrative	2,662	2,685	(23)	(0.9%)	2,640	22		0.9%
Other Opex	—	—	—	N/A	—	—		N/A
Total Opex	2,783	2,855	(72)	(2.5%)	2,767	16		0.6%
EBITDA	5,180	5,526	(346)	(6.3%)	5,250	(71)		(1.3%)
EBITDA %	14.6%	14.2%			13.7%			
Net Income (Loss)	\$ 3,134	\$ 3,610	\$ (475)	(13.2%)	\$ 3,341	\$ (207)		(6.2%)
Capex	\$ (549)	\$ (1,171)	\$ 623	(53.2%)	\$ (996)	\$ 447		(44.9%)
Opex Overview:								
Payroll	\$ 679	\$ 736	\$ (57)	(7.8%)	\$ 667	\$ 11		1.7%
Bonus	—	—	—	N/A	—	—		N/A
Commissions	—	—	—	N/A	—	—		N/A
Marketing	—	—	—	N/A	0	(0)		(100.0%)
Benefits	—	—	—	N/A	—	—		N/A
Travel and entertainment	2	0	2	5247.4%	1	1		194.3%
Rent and facilities	—	—	—	N/A	—	—		N/A
Insurance	—	—	—	N/A	—	—		N/A
Professional fees	12	—	12	N/A	—	12		N/A
Utilities, repair, maintenance, and security	32	37	(5)	(12.7%)	39	(6)		(16.2%)
Corporate OH Fees	1,986	1,990	(4)	(0.2%)	1,989	(3)		(0.1%)
Bad Debts	—	—	—	N/A	—	—		N/A
FX	—	—	—	N/A	—	—		N/A
JV Loss (Income)	—	—	—	N/A	—	—		N/A
Other Expenses	71	91	(20)	(21.5%)	71	0		0.3%
Total Opex	\$ 2,783	\$ 2,855	\$ (72)	(2.5%)	\$ 2,767	\$ 16		0.6%

Key Customers – Full Year Delmont

	Gross Sales (\$'000)									Gross Margin %																				
	FY			FY			Var			PY			Var			FY			FY			Var			PY			Var		
	Fcst	Bud		\$	%	Fcst	Bud		\$	%	Fcst	Bud		BP	%	Fcst	Bud		BP	%	Fcst	Bud		BP	%	Fcst	Bud		BP	%
Customer:																														
PGT Industries Inc	\$	20,522	\$	21,382	\$	(860)	(4.0%)	\$	20,750	\$	(228)	(1.1%)	21.8%	20.5%	133	6.5%	19.4%	246	12.7%											
Polaris Technologies		4,338		5,975		(1,637)	(27.4%)		5,042		(704)	(14.0%)	15.5%	14.5%	100	6.9%	14.7%	85	5.8%											
Comfort View Products		2,032		2,100		(68)	(3.2%)		2,209		(177)	(8.0%)	20.2%	20.0%	26	1.3%	17.7%	257	14.5%											
Sierra Pacific Windows		2,836		2,886		(50)	(1.7%)		2,861		(25)	(0.9%)	11.8%	8.7%	311	35.6%	7.2%	463	64.3%											
Atrium Windows & Doors		1,281		1,499		(218)	(14.5%)		1,432		(151)	(10.5%)	31.7%	37.8%	(615)	(16.3%)	37.8%	(614)	(16.2%)											
Regency Plus, Inc.		1,694		2,240		(546)	(24.4%)		1,940		(246)	(12.7%)	23.3%	20.8%	249	12.0%	20.8%	252	12.1%											
Brunswick Bowling And Billiards		994		1,588		(594)	(37.4%)		1,793		(799)	(44.6%)	46.5%	42.2%	435	10.3%	40.8%	571	14.0%											
Qubicaamf Worlwide LCC		746		898		(152)	(16.9%)		1,009		(263)	(26.1%)	46.6%	41.6%	500	12.0%	43.6%	301	6.9%											
NewSouth Window Solutions, LLC		460		400		60	15.0%		571		(111)	(19.4%)	32.6%	41.1%	(843)	(20.5%)	39.6%	(694)	(17.5%)											
Great Day Improvement, LLC		478		323		155	48.0%		415		63	15.2%	37.7%	36.6%	112	3.1%	33.0%	473	14.4%											
Yoders Window & Siding		218		266		(48)	(18.0%)		304		(86)	(28.3%)	46.2%	38.2%	800	20.9%	33.8%	1,240	36.7%											
Fairway Building Products		3		—		3	N/A		60		(57)	(95.0%)	56.8%	#DIV/0!	—	#DIV/0!	22.8%	3,400	149.2%											
Graber Manufacturing Llc		—		—		-	N/A		—		-	N/A	#DIV/0!	#DIV/0!	—	#DIV/0!	#DIV/0!	NA	#DIV/0!											
Columbia Industries, Inc.		—		78		(78)	(100.0%)		122		(122)	(100.0%)	#DIV/0!	45.0%	—	#VALUE!	25.3%	NA	#VALUE!											
Jeld-Wen Windows & Doors		21		21		-	0.0%		32		(11)	(34.4%)	22.3%	21.2%	105	5.0%	16.6%	570	34.4%											
Constant Distribution LLC		—		—		-	N/A		7		(7)	(100.0%)	#DIV/0!	#DIV/0!	—	#DIV/0!	(36.6%)	NA	#VALUE!											
CGI		252		115		137	119.1%		97		155	159.8%	(38.0%)	9.3%	(4,732)	(509.7%)	6.0%	(4,406)	(731.4%)											
East Central Indiana Vinyl MFG, LL		13		18		(5)	(27.8%)		37		(24)	(64.9%)	68.8%	64.5%	424	6.6%	50.7%	1,807	35.7%											
Lakeland Polymers, LLC		39		21		18	85.7%		27		12	44.4%	(34.1%)	(87.6%)	5,347	(61.1%)	(97.4%)	6,328	(65.0%)											
JP Industrial Products Inc		—		—		-	N/A		—		-	N/A	#DIV/0!	#DIV/0!	—	#DIV/0!	#DIV/0!	NA	#DIV/0!											
Other		539		280		259	92.4%		705		(166)	(23.6%)	65.3%	10.7%	5,453	508.3%	4.8%	6,042	1249.6%											
Total Gross	\$	36,466	\$	40,090	\$	(3,624)	(9.0%)	\$	39,413	\$	(2,947)	(7.5%)	22.5%	21.2%	136	6.4%	20.3%	218	10.7%											

Everett Summary P&L

	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	1,280	1,417	(137)	(9.7%)	7,776	11,110	(3,334)	(30.0%)
Units Shipped ('000)	1,178	1,526	(348)	(22.8%)	8,849	10,522	(1,673)	(15.9%)
Bookings (\$'000)	\$ 2,478	\$ 2,467	\$ 11	0.4%	\$ 15,496	\$ 17,639	\$ (2,143)	(12.1%)
Backlog (\$'000)	\$ 2,235	\$ 1,146	\$ 1,088	95.0%	\$ 2,235	\$ 1,146	\$ 1,088	95.0%
Gross Revenue	\$ 1,986	\$ 2,518	\$ (532)	(21.1%)	\$ 14,692	\$ 17,577	\$ (2,885)	(16.4%)
Adj. to Gross Revenue	(102)	(116)	14	(11.7%)	(676)	(831)	155	(18.7%)
Net Revenue	1,884	2,402	(518)	(21.6%)	14,017	16,746	(2,729)	(16.3%)
Material	1,022	1,221	(199)	(16.3%)	7,293	8,379	(1,086)	(13.0%)
Labor	449	547	(98)	(17.9%)	3,395	4,065	(670)	(16.5%)
Other COGS	179	281	(102)	(36.3%)	2,045	1,419	627	44.2%
Total COGS	1,649	2,048	(399)	(19.5%)	12,733	13,863	(1,130)	(8.1%)
Gross Margin	235	354	(119)	(33.7%)	1,283	2,883	(1,600)	(55.5%)
Gross Margin %	12.4%	14.7%			9.2%	17.2%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	20	20	0	1.6%	185	172	13	7.4%
Administrative	242	257	(15)	(5.7%)	1,998	2,036	(38)	(1.9%)
Other Opex	1	—	1	N/A	19	—	19	N/A
Total Opex	263	276	(13)	(4.7%)	2,202	2,209	(6)	(0.3%)
EBITDA	(29)	78	(106)	(136.8%)	(919)	674	(1,593)	(236.2%)
EBITDA %	(1.5%)	3.2%			(6.6%)	4.0%		
Net Income (Loss)	\$ (189)	\$ (96)	\$ (93)	97.0%	\$ (2,138)	\$ (614)	\$ (1,524)	248.2%
Capex	\$ —	\$ —	\$ —	N/A	\$ (327)	\$ (752)	\$ 425	(56.5%)
Opex Overview:								
Payroll	\$ 56	\$ 64	\$ (9)	(13.3%)	\$ 499	\$ 518	\$ (19)	(3.6%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	8	7	1	21.3%	78	69	10	14.4%
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	—	4	(4)	(100.0%)	7	12	(5)	(38.2%)
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	13	13	(0)	(2.7%)	88	106	(18)	(16.9%)
Professional fees	—	—	—	N/A	10	—	10	N/A
Utilities, repair, maintenance, an	0	—	0	N/A	4	—	4	N/A
Corporate OH Fees	177	178	(1)	(0.6%)	1,418	1,423	(5)	(0.3%)
Bad Debts	—	—	—	N/A	0	—	0	N/A
FX	1	—	1	N/A	19	—	19	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	8	10	(2)	(21.2%)	79	82	(3)	(3.9%)
Total Opex	\$ 263	\$ 276	\$ (13)	(4.7%)	\$ 2,202	\$ 2,209	\$ (6)	(0.3%)

Management Discussion

Net Revenue – Aug-20: (\$518k):

- Sales volume down 22.8% or \$548k driven by decreased volume across most customers particularly Cascade, Simonton and AWW
- Returns lower vs budget by \$3k
- Rebates higher vs budget by \$16k primarily due customer sales mix
- Favorable customer/product mix by \$43k vs budget

EBITDA – Aug-20: (\$106k):

- **Material COGS:** Decrease in costs by \$199k driven by decreased sales volume \$279k, favorable product mix by \$46k. Offset by unfavorable inventory reserve adjustment \$70k, lower Yield/Scrap by \$15k due to testing and post production scrap, lower regrind usage \$29k and unfavorable PPV \$11k.
- **Labor COGS:** Decrease in costs by \$98k as a result of furloughs due to reduced production driven by Covid-19.
- **Other COGS:** Decrease in cost by \$102k driven by favorable absorption of \$107k and decreased Freight by \$40k due to lower cradle returns and sales mix. Offset by lower tool and die recovery (absorption projects on hold).
- **Sales and Marketing:** in line with budget.
- **Administrative:** Lower vs budget by \$15k driven by favorable labor (furlough), office expense, travel and B&O tax
- **Other Opex:** Inline with budget.

Key Customers – Gross Sales and Gross Margin %: Everett

	Gross Sales (\$'000)														Gross Margin %																	
	MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var		MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var	
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	\$	%	Act	Bud	BPs	%	Act	BPs	%	Act	Bud	BPs	%	Act	BPs	%	
Customer:																																
Simonton	\$ 787	\$ 884	\$ (97)	(11.0%)	\$ 884	\$ (97)	(11.0%)	\$ 5,437	\$ 6,337	\$ (901)	(14.2%)	\$ 6,337	\$ (901)	(14.2%)	14.0%	21.2%	(715)	(33.8%)	15.1%	(112)	(7.4%)	8.2%	21.8%	(1,365)	(62.5%)	13.5%	(528)	(39.2%)				
Cascade	166	434	(268)	(61.8%)	154	12	7.5%	1,478	2,563	(1,085)	(42.3%)	1,430	48	3.4%	(31.5%)	(15.5%)	(1,605)	103.5%	(28.2%)	(339)	12.0%	(32.7%)	(13.7%)	(1,902)	138.8%	(24.4%)	(836)	34.3%				
Coeur d'Alene	439	402	37	9.1%	358	81	22.6%	2,809	2,449	361	14.7%	2,180	630	28.9%	10.1%	7.2%	295	40.9%	5.1%	507	99.8%	0.2%	8.3%	(805)	(97.1%)	1.6%	(133)	(84.5%)				
Westeck	167	120	47	39.5%	120	47	39.5%	931	1,108	(177)	(15.9%)	1,108	(177)	(15.9%)	9.6%	24.0%	(1,438)	(59.9%)	27.8%	(1,817)	(65.4%)	15.1%	24.6%	(944)	(38.4%)	23.9%	(878)	(36.7%)				
All Weather	34	151	(117)	(77.5%)	151	(117)	(77.5%)	439	928	(489)	(52.7%)	929	(490)	(52.8%)	(35.6%)	(1.5%)	(3,407)	2271.3%	(0.4%)	(3,515)	8292.9%	(16.1%)	(2.7%)	(1,340)	494.8%	(4.3%)	(1,181)	274.8%				
KGW	43	136	(92)	(68.1%)	125	(82)	(65.5%)	715	792	(77)	(9.7%)	731	(16)	(2.2%)	33.0%	28.0%	504	18.0%	32.3%	76	2.4%	29.7%	32.5%	(281)	(8.6%)	32.7%	(299)	(9.1%)				
Lindsay	76	65	11	16.2%	60	16	26.7%	412	638	(226)	(35.4%)	586	(173)	(29.6%)	18.0%	13.5%	454	33.6%	14.5%	350	24.1%	13.8%	12.1%	171	14.2%	11.7%	210	17.9%				
Whisper Walls	12	69	(57)	(82.9%)	63	(52)	(81.5%)	253	511	(257)	(50.4%)	471	(217)	(46.2%)	65.6%	44.0%	2,160	49.1%	50.4%	1,519	30.1%	43.9%	50.3%	(641)	(12.8%)	50.0%	(613)	(12.3%)				
Western	1	15	(14)	(91.2%)	11	(10)	(88.5%)	421	386	35	9.0%	293	128	43.6%	9.7%	34.0%	(2,432)	(71.5%)	23.3%	(1,363)	(58.5%)	40.6%	34.7%	590	17.0%	30.1%	1,052	34.9%				
Northern - Yukon	134	101	32	31.8%	101	32	31.8%	566	410	156	38.1%	410	156	38.1%	41.1%	38.0%	306	8.0%	44.4%	(331)	(7.5%)	39.5%	40.0%	(54)	(1.3%)	40.7%	(121)	(3.0%)				
West Coast Designed	20	37	(17)	(46.0%)	34	(14)	(41.6%)	188	273	(86)	(31.3%)	253	(65)	(25.8%)	27.1%	40.0%	(1,292)	(32.3%)	43.2%	(1,610)	(37.3%)	48.0%	44.4%	364	8.2%	39.4%	858	21.8%				
Coastal	–	–	-	N/A	–	-	N/A	283	184	99	53.9%	171	113	N/A	#DIV/0!	#DIV/0! –	#DIV/0!	#DIV/0!	NA	#DIV/0!	34.5%	34.0%	54	1.6%	43.4%	(885)	(20.4%)					
Modern	31	–	31	N/A	–	31	N/A	103	132	(29)	(21.8%)	132	(29)	(21.8%)	20.8%	#DIV/0! –	#DIV/0!	#DIV/0!	NA	#DIV/0!	13.9%	20.5%	(666)	(32.4%)	17.6%	(373)	(21.2%)					
Hometime	–	6	(6)	(100.0%)	5	(5)	(100.0%)	157	98	60	61.4%	88	69	78.0%	#DIV/0!	30.5% –	#VALUE!	30.5%	NA	#VALUE!	25.6%	35.2%	(963)	(27.4%)	24.8%	75	3.0%					
Avanti	–	–	-	N/A	–	-	N/A	59	114	(55)	(48.2%)	98	(39)	(39.5%)	#DIV/0!	#DIV/0! –	#DIV/0!	#DIV/0!	NA	#DIV/0!	23.2%	35.1%	(1,185)	(33.8%)	34.2%	(1,095)	(32.1%)					
RMA	–	59	(59)	(100.0%)	34	(34)	(100.0%)	33	124	(91)	(73.6%)	72	(40)	(54.7%)	#DIV/0!	45.0% –	#VALUE!	48.0%	NA	#VALUE!	35.2%	46.2%	(1,097)	(23.8%)	51.3%	(1,614)	(31.4%)					
Intl - Yellow Dog	–	5	(5)	(100.0%)	5	(5)	(100.0%)	–	115	(115)	(100.0%)	115	(115)	(100.0%)	#DIV/0!	15.0% –	#VALUE!	49.7%	NA	#VALUE!	#DIV/0!	0.1% –	#VALUE!	1.0%	NA	#VALUE!						
La Cantina	–	8	(8)	(100.0%)	7	(7)	(100.0%)	34	63	(29)	(45.8%)	58	(24)	(41.2%)	#DIV/0!	46.5% –	#VALUE!	46.5%	NA	#VALUE!	39.7%	42.2%	(255)	(6.0%)	41.6%	(190)	(4.6%)					
R&R	–	17	(17)	(100.0%)	15	(15)	(100.0%)	37	79	(42)	(52.8%)	71	(33)	(47.0%)	#DIV/0!	45.0% –	#VALUE!	60.6%	NA	#VALUE!	52.6%	53.5%	(86)	(1.6%)	55.8%	(321)	(5.8%)					
Danjo	–	–	-	N/A	–	-	N/A	3	38	(35)	(92.3%)	33	(30)	(91.3%)	#DIV/0!	#DIV/0! –	#DIV/0!	#DIV/0!	NA	#DIV/0!	(433.0%)	60.2%	(49,318)	(819.4%)	56.8%	(48,975)	(862.9%)					
Other	76	9	67	761.9%	62	14	22.4%	334	236	98	41.6%	995	(662)	(66.5%)	31.8%	30.0%	177	5.9%	8.8%	2,301	262.4%	32.9%	34.8%	(191)	(5.5%)	12.4%	2,050	166.0%				
Total Gross	\$ 1,986	\$ 2,518	\$ (532)	(21.1%)	\$ 2,192	\$ (206)	(9.4%)	\$ 14,692	\$ 17,577	\$ (2,885)	(16.4%)	\$ 16,560	\$ (1,868)	(11.3%)	11.8%	14.0%	(224)	(15.9%)	14.6%	(280)	(19.2%)	8.2%	16.6%	(835)	(50.4%)	12.4%	(419)	(33.8%)				

Management Discussion

- Soft month overall.
- Cascade, Allweather and Simonton falling significantly behind budget.
- Positive contributions from CDA, Westeck and Yukon

Key Performance Indicators - Everett

ENERGI Everett Extrusion KPI Report	2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	YTD 2020
Health & Safety										
<i>Recordable Incidents</i>	1	0	0	0	0	0	0	0	0	0
<i>TRIR (Total Recordable Incident Rate)</i>	<1	3.24	3.24	3.33	2.24	1.15	1.19	1.19	1.2	1.19
Quality Performance										
<i>Customer Complaints - per MLBS</i>	10.0	3.9	6.00	4.81	7.0	-	4.1	3.0	5.9	4.3
<i>Return as % of sales</i>	0.44%	0.68%	0.29%	0.37%	1.99%	1.28%	0.93%	0.66%	0.31%	0.75%
Delivery Performance										
<i>% on time in full</i>	99.20%	100.00%	99.53%	99.86%	100.00%	100.00%	99.87%	97.85%	92.03%	98.64%
<i>% by line items</i>	99.20%	100.00%	99.53%	99.86%	100.00%	100.00%	99.87%	97.85%	92.03%	98.64%
Costs										
<i>Yield</i>	87.4%	89.6%	89%	89%	86.0%	88%	88.6%	87.0%	88.5%	88.4%
<i>Alt/Regrind Compound Consumption Ratio</i>	20.0%	24.0%	13%	15%	14.3%	41%	18.5%	14.4%	15.5%	18.3%
<i>Direct Labour \$/lb produced</i>	\$0.195	\$ 0.204	\$ 0.208	\$ 0.271	\$ 0.227	\$ 0.270	\$ 0.242	\$ 0.204	\$ 0.196	\$ 0.221
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.185	\$ 0.212	\$ 0.191	\$ 0.277	\$ 0.224	\$ 0.285	\$ 0.223	\$ 0.163	\$ 0.138	\$ 0.204
Inventory										
<i>Days - TTM (Trailing 12 Months)</i>	104.3	92.2	92	88	89.4	90	85.3	82.4	79.3	92.9

Comments

Delivery: Reacting to high sales demand; low inventory, and yellowing material issues

Cost: Alt/Regrind Consumption: 50K LBs used on BOMs with non MUV benefit.

Full Year Everett P&L Summary

\$'000	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Act	\$	%	
Units Produced ('000)	11,657	16,002	(4,345)	(27.2%)	15,729	(4,072)	(25.9%)	
Units Shipped ('000)	12,365	15,922	(3,557)	(22.3%)	15,371	(3,006)	(19.6%)	
Bookings (\$'000)	\$ 21,344	\$ 26,647	\$ (5,303)	(19.9%)	\$ 50,018	\$ (28,674)	(57.3%)	
Backlog (\$'000)	\$ 1,102	\$ 1,195	\$ (92)	(7.7%)	\$ 3,634	\$ (2,532)	(69.7%)	
Gross Revenue	\$ 20,512	\$ 26,536	\$ (6,023)	(22.7%)	\$ 24,943	\$ (4,430)	(17.8%)	
Adj. to Gross Revenue	(943)	(1,242)	299	(24.0%)	(1,100)	156	(14.2%)	
Net Revenue	19,569	25,294	(5,725)	(22.6%)	23,843	(4,274)	(17.9%)	
Material	10,152	12,766	(2,614)	(20.5%)	12,371	(2,219)	(17.9%)	
Labor	5,113	6,078	(965)	(15.9%)	6,177	(1,064)	(17.2%)	
Other COGS	2,618	2,511	107	4.3%	2,505	113	4.5%	
Total COGS	17,883	21,355	(3,472)	(16.3%)	21,053	(3,170)	(15.1%)	
Gross Margin	1,686	3,939	(2,253)	(57.2%)	2,790	(1,104)	(39.6%)	
Gross Margin %	8.6%	15.6%			11.7%			
R&D	—	—	—	N/A	—	—	N/A	
Sales & Marketing	257	249	9	3.5%	315	(58)	(18.4%)	
Administrative	2,958	3,037	(79)	(2.6%)	2,977	(18)	(0.6%)	
Other Opex	19	—	19	N/A	(6)	25	(429.6%)	
Total Opex	3,234	3,286	(51)	(1.6%)	3,286	(51)	(1.6%)	
EBITDA	(1,548)	653	(2,201)	(337.1%)	(496)	(1,053)	212.3%	
EBITDA %	(7.9%)	2.6%			(2.1%)			
Net Income (Loss)	\$ (3,413)	\$ (1,337)	\$ (2,077)	155.4%	\$ (1,952)	\$ (1,461)	74.8%	
Capex	\$ (615)	\$ (752)	\$ 137	(18.2%)	\$ (2,170)	\$ 1,555	(71.7%)	
Opex Overview:								
Payroll	\$ 728	\$ 773	\$ (45)	(5.9%)	\$ 686	\$ 42	6.1%	
Bonus	—	—	—	N/A	—	—	N/A	
Commissions	—	—	—	N/A	—	—	N/A	
Marketing	104	95	10	10.4%	165	(61)	(36.9%)	
Benefits	—	—	—	N/A	—	—	N/A	
Travel and entertainment	7	16	(9)	(53.6%)	6	2	28.0%	
Rent and facilities	—	—	—	N/A	—	—	N/A	
Insurance	124	149	(25)	(16.7%)	152	(28)	(18.6%)	
Professional fees	10	—	10	N/A	17	(7)	(41.1%)	
Utilities, repair, maintenance, and security	4	—	4	N/A	5	(1)	(27.1%)	
Corporate OH Fees	2,127	2,131	(5)	(0.2%)	2,130	(4)	(0.2%)	
Bad Debts	0	—	0	N/A	0	(0)	(32.5%)	
FX	19	—	19	N/A	(6)	25	(429.6%)	
JV Loss (Income)	—	—	—	N/A	—	—	N/A	
Other Expenses	112	122	(10)	(8.4%)	130	(19)	(14.4%)	
Total Opex	\$ 3,234	\$ 3,286	\$ (51)	(1.6%)	\$ 3,286	\$ (51)	(1.6%)	

Key Customers – Full Year Everett

	Gross Sales (\$'000)									Gross Margin %									
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var			
	Fcst	Bud	\$	%	Act	\$	%	Fcst	Bud	BPs	%	Act	BPs	%					
Customer:																			
Simonton	\$	7,500	\$	9,500	\$	(2,000)	(21.1%)	\$	9,562	\$	(2,062)	(21.6%)	9.4%	20.9%	(1,152)	(55.1%)	11.7%	(235)	(20.1%)
Cascade		2,520		4,146		(1,626)	(39.2%)		2,073		446	21.5%	(25.6%)	(14.6%)	(1,099)	75.1%	(28.4%)	280	(9.8%)
Coeur d'Alene		3,657		3,755		(98)	(2.6%)		3,684		(27)	(0.7%)	2.0%	7.7%	(575)	(74.6%)	0.1%	185	1677.8%
Westeck		1,249		1,600		(351)	(21.9%)		1,643		(394)	(24.0%)	13.9%	24.0%	(1,008)	(42.0%)	23.6%	(969)	(41.0%)
All Weather		651		1,277		(627)	(49.1%)		1,455		(805)	(55.3%)	(13.9%)	(2.5%)	(1,140)	462.7%	(5.5%)	(836)	151.9%
KGW		858		1,007		(149)	(14.8%)		955		(97)	(10.1%)	28.3%	31.7%	(340)	(10.7%)	31.8%	(347)	(10.9%)
Lindsay		652		1,003		(351)	(35.0%)		907		(255)	(28.1%)	12.5%	12.6%	(3)	(0.2%)	13.2%	(63)	(4.8%)
Whisper Walls		435		800		(365)	(45.6%)		677		(242)	(35.7%)	38.2%	47.7%	(958)	(20.1%)	48.7%	(1,051)	(21.6%)
Western		615		693		(78)	(11.2%)		511		104	20.4%	36.3%	33.9%	243	7.2%	32.9%	348	10.6%
Northerm - Yukon		625		500		125	25.0%		657		(32)	(4.9%)	38.2%	39.4%	(117)	(3.0%)	40.1%	(194)	(4.8%)
West Coast Designed		271		400		(129)	(32.1%)		379		(107)	(28.3%)	43.8%	42.9%	90	2.1%	41.2%	265	6.4%
Coastal		372		326		46	14.2%		316		57	18.0%	28.3%	32.8%	(453)	(13.8%)	44.1%	(1,582)	(35.9%)
Modern		162		226		(63)	(28.0%)		256		(93)	(36.5%)	14.0%	22.7%	(869)	(38.3%)	21.3%	(725)	(34.1%)
Hometime		221		188		33	17.6%		169		52	30.9%	24.4%	33.1%	(866)	(26.2%)	27.3%	(285)	(10.4%)
Avanti		100		176		(76)	(43.1%)		98		3	2.7%	23.5%	34.3%	(1,079)	(31.4%)	33.8%	(1,024)	(30.3%)
RMA		54		154		(101)	(65.3%)		72		(19)	(26.0%)	37.5%	45.7%	(818)	(17.9%)	50.4%	(1,291)	(25.6%)
Intl - Yellow Dog		21		150		(129)	(85.7%)		115		(94)	(81.4%)	0.7%	2.6%	(188)	(72.5%)	2.1%	(141)	(66.4%)
La Cantina		67		118		(51)	(43.4%)		80		(14)	(16.9%)	27.7%	39.3%	(1,158)	(29.5%)	41.3%	(1,363)	(33.0%)
R&R		44		90		(46)	(50.9%)		110		(66)	(59.9%)	50.1%	51.8%	(174)	(3.4%)	55.7%	(558)	(10.0%)
Danjo		32		83		(50)	(60.8%)		65		(32)	(50.1%)	(41.8%)	47.6%	(8,945)	(187.7%)	44.7%	(8,655)	(193.4%)
Other		406		344		62	18.0%		1,160		(754)	(65.0%)	32.5%	33.2%	(70)	(2.1%)	14.8%	1,772	119.7%
Total Gross	\$	20,512	\$	26,536	\$	(6,023)	(22.7%)	\$	24,943	\$	(4,430)	(17.8%)	8.4%	15.3%	(691)	(45.2%)	11.2%	(282)	(25.2%)

Terrebonne Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	–	–	–	N/A	–	–	–	N/A
Units Shipped ('000)	–	–	–	N/A	–	–	–	N/A
Bookings (\$'000)	\$ 2,705	\$ 2,610	\$ 95	3.7%	\$ 15,474	\$ 14,986	\$ 488	3.3%
Backlog (\$'000)	\$ 4,737	\$ 1,200	\$ 3,537	294.7%	\$ 4,737	\$ 1,200	\$ 3,537	294.7%
Gross Revenue	\$ 2,238	\$ 2,671	\$ (433)	(16.2%)	\$ 11,918	\$ 15,254	\$ (3,336)	(21.9%)
Adj. to Gross Revenue	(118)	(132)	14	(10.8%)	(568)	(745)	177	(23.8%)
Net Revenue	2,120	2,539	(419)	(16.5%)	11,350	14,508	(3,159)	(21.8%)
Material	1,417	1,568	(151)	(9.6%)	7,359	9,032	(1,673)	(18.5%)
Labor	403	390	13	3.2%	2,405	2,917	(512)	(17.6%)
Other COGS	240	261	(21)	(8.1%)	1,164	957	207	21.7%
Total COGS	2,060	2,220	(160)	(7.2%)	10,928	12,906	(1,978)	(15.3%)
Gross Margin	61	320	(259)	(81.0%)	422	1,603	(1,181)	(73.7%)
Gross Margin %	2.9%	12.6%			3.7%	11.0%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	23	37	(14)	(38.3%)	195	283	(88)	(31.1%)
Administrative	188	199	(11)	(5.5%)	1,414	1,573	(158)	(10.1%)
Other Opex	12	–	12	N/A	(211)	–	(211)	N/A
Total Opex	222	235	(13)	(5.4%)	1,398	1,855	(457)	(24.6%)
EBITDA	(162)	85	(247)	(290.6%)	(977)	(252)	(724)	286.9%
EBITDA %	(7.6%)	3.3%			(8.6%)	(1.7%)		
Net Income (Loss)	\$ (171)	\$ 72	\$ (243)	(337.9%)	\$ (1,046)	\$ (352)	\$ (694)	197.1%
Capex	\$ (11)	\$ –	\$ (11)	N/A	\$ (55)	\$ (287)	\$ 232	(80.8%)
Opex Overview:								
Payroll	\$ 82	\$ 88	\$ (6)	(6.4%)	\$ 542	\$ 720	\$ (178)	(24.7%)
Bonus	–	–	–	N/A	–	–	–	N/A
Commissions	–	–	–	N/A	–	–	–	N/A
Marketing	0	2	(2)	(87.6%)	18	16	2	14.5%
Benefits	–	–	–	N/A	(195)	–	(195)	N/A
Travel and entertainment	0	1	(1)	(98.9%)	1	5	(4)	(73.2%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	–	–	–	N/A	–	–	–	N/A
Professional fees	2	5	(3)	(61.9%)	43	52	(9)	(17.3%)
Utilities, repair, maintenance, an	3	8	(5)	(64.7%)	27	45	(18)	(39.7%)
Corporate OH Fees	121	124	(3)	(2.5%)	944	967	(24)	(2.5%)
Bad Debts	–	–	–	N/A	–	–	–	N/A
FX	12	–	12	N/A	(15)	–	(15)	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	2	8	(6)	(71.5%)	34	50	(16)	(32.1%)
Total Opex	\$ 222	\$ 235	\$ (13)	(5.4%)	\$ 1,398	\$ 1,855	\$ (457)	(24.6%)

Management Discussion

Net Revenue – Aug-20: (\$419K):

- Sales volume decreased \$560k due to decreased demand from Ostaco \$130k, AMI \$121k and Atis \$98k in addition to less actual price increase vs budget \$36k.
- Higher rebates/accruals \$17k driven by additional customers participating in the volume rebate program
- Lower returns vs budget by \$10k
- Favorable ASP of \$137k due to customer/product mix
- Favorable F/X of \$12k (actual rate of 1.3222 [or \$USD 0.7563] vs. 1.33 [or \$USD 0.7519])

EBITDA – Aug-20: (\$247K):

- Material COGS:** Decrease in costs by \$151K primarily driven by sales volume decrease \$346k. Offset by unfavorable mix \$144k, PPV of \$11k due to product mix, unfavorable scrap yield and lower usage (\$25k) and unfavorable inventory adjustment of \$20k.
- Labor COGS:** Increase in costs by \$13k due to hiring of temps and related training.
- Other COGS:** Decrease in costs by \$21k due to lower factory costs (lower volume) \$7k, lower warranty costs \$7k and lower premises costs by \$5k driven by savings related to overtone move from Woodbridge.
- Sales and Marketing:** Decrease in costs by \$14k driven by small decrease in salaries due to part-time employee; less advertising and product development costs; more employees on vacation.
- Administrative:** Decrease in costs by \$11k as a result of layoffs well as lower office and IT costs
- Other Opex:** Increase in costs by \$12k due to unfavorable F/X revaluation of working capital balances.

Key Customers – Gross Sales and Gross Margin %: Terrebonne

	Gross Sales (\$'000)														Gross Margin %																							
	MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var		QTD		Var		PY-QTD		Var		YTD		Var		PY-YTD		Var							
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	BPs	%	Act	Bud	BPs	%	Act	Bud	BPs	%	Act	BPs	%						
Customer:																																						
A.M.I.	\$	328	\$	450	\$	(122)	(27.1%)	\$	416	\$	(88)	(21.1%)	\$	1,920	\$	2,597	\$	(676)	(26.1%)	\$	2,484	\$	(564)	(22.7%)	19.9%	7.9%	1,201	152.0%	13.4%	654	48.9%	12.0%	7.9%	412	52.1%	8.0%	397	49.4%
ATIS PORTES & FENETRES		285		384		(99)	(25.7%)		18		267	1450.6%		1,529		2,058		(529)	(25.7%)		78		1,451	1857.9%	(4.2%)	(16.1%)	1,186	(73.7%)	(609.2%)	60,501	(99.3%)	(8.4%)	(15.8%)	739	(46.8%)	(344.4%)	33,601	(97.6%)
GOLDEN WINDOWS		213		247		(35)	(14.1%)		236		(24)	(10.1%)		1,455		1,428		26	1.8%		1,397		58	4.1%	(24.9%)	5.3%	(3,015)	(570.1%)	9.4%	(3,430)	(363.4%)	(21.6%)	5.3%	(2,686)	(507.9%)	5.6%	(2,716)	(486.2%)
OSTACO 2000 WINDOORS INC		68		198		(130)	(65.6%)		160		(92)	(57.6%)		778		1,143		(365)	(31.9%)		1,193		(415)	(34.8%)	8.3%	(10.2%)	1,846	(181.2%)	(9.0%)	1,723	(192.3%)	19.7%	(10.2%)	2,993	(293.8%)	(11.0%)	3,076	(279.3%)
PORTES & FENETRES ABRITEK		107		115		(8)	(7.3%)		124		(17)	(13.7%)		615		667		(51)	(7.7%)		829		(214)	(25.8%)	(7.6%)	14.4%	(2,204)	(152.8%)	5.5%	(1,316)	(237.4%)	(7.6%)	14.4%	(2,201)	(152.6%)	13.1%	(2,070)	(157.8%)
DASHWOOD INDUSTRIES INC		78		99		(21)	(21.2%)		77		1	1.8%		764		571		192	33.7%		652		112	17.2%	4.7%	(8.8%)	1,348	(153.3%)	(6.0%)	1,065	(178.6%)	17.4%	(8.8%)	2,621	(298.1%)	(5.8%)	2,318	(402.5%)
P & F ISOTHERMIC INC		72		91		(19)	(21.2%)		164		(93)	(56.5%)		263		524		(261)	(49.8%)		571		(308)	(53.9%)	12.4%	(9.2%)	2,158	(234.7%)	0.4%	1,202	3274.4%	(3.5%)	(9.2%)	569	(61.9%)	(7.7%)	423	(54.7%)
VAILLANCOURT INC.		157		91		67	73.3%		147		10	7.0%		624		524		101	19.2%		617		7	1.1%	(11.2%)	7.0%	(1,815)	(260.9%)	10.5%	(2,172)	(206.3%)	(2.6%)	7.0%	(954)	(137.2%)	5.0%	(760)	(151.5%)
EXTREME WINDOW AND		84		54		31	57.4%		105		(20)	(19.4%)		334		310		24	7.8%		323		11	3.5%	(1.1%)	(8.3%)	718	(86.4%)	(3.9%)	281	(71.4%)	0.2%	(8.3%)	853	(102.6%)	(6.0%)	625	(103.6%)
Fenêtres Concept		57		47		10	20.2%		64		(7)	(11.3%)		284		271		13	4.7%		281		3	1.2%	1.3%	29.6%	(2,831)	(95.5%)	35.1%	(3,381)	(96.2%)	(0.1%)	29.6%	(2,973)	(100.3%)	30.2%	(3,025)	(100.3%)
YKK AP VINYL		24		38		(15)	(37.9%)		18		5	29.9%		198		222		(24)	(10.9%)		234		(36)	(15.6%)	(47.0%)	41.9%	(8,887)	(212.2%)	68.5%	(11,544)	(168.6%)	(3.2%)	41.9%	(4,513)	(107.7%)	23.8%	(2,703)	(113.6%)
CANADIAN VINYLTEK WINDOWS C		4		37		(33)	(88.8%)		51		(47)	(91.9%)		148		214		(66)	(30.7%)		271		(123)	(45.3%)	28.3%	(15.9%)	4,420	(278.3%)	(13.7%)	4,204	(306.2%)	44.1%	(15.9%)	5,998	(377.6%)	(13.1%)	5,716	(437.6%)
MASON WINDOWS LTD		55		37		18	48.2%		30		25	83.1%		182		214		(32)	(15.1%)		230		(48)	(20.7%)	(24.0%)	8.3%	(3,232)	(387.8%)	(7.6%)	(1,642)	217.0%	(20.2%)	8.3%	(2,853)	(342.4%)	11.4%	(3,164)	(276.6%)
CEN		62		37		25	68.4%		19		44	235.4%		208		214		(6)	(2.9%)		285		(77)	(27.0%)	15.8%	20.8%	(499)	(24.0%)	15.2%	56	3.7%	8.9%	20.8%	(1,194)	(57.4%)	21.7%	(1,286)	(59.2%)
TRI-STATE WINDOW FACTORY		33		33		0	1.2%		31		3	8.3%		139		190		(51)	(26.7%)		252		(113)	(44.7%)	34.2%	20.3%	1,395	68.9%	19.3%	1,491	77.3%	31.6%	20.3%	1,132	55.9%	15.9%	1,564	98.1%
ATLANTIC WINDOWS		20		29		(9)	(31.6%)		22		(2)	(10.9%)		180		167		13	7.8%		183		(3)	(1.8%)	32.3%	(1.1%)	3,342	(3035.5%)	(1.2%)	3,349	(2875.6%)	22.5%	(1.1%)	2,359	(2142.0%)	(1.8%)	2,424	(1378.3%)
LORENDO INC.		13		25		(12)	(48.3%)		34		(21)	(62.4%)		203		143		60	41.8%		148		54	36.6%	(36.3%)	(2.0%)	(3,426)	1696.1%	(16.2%)	(2,009)	124.1%	9.3%	(2.0%)	1,128	(558.2%)	(2.2%)	1,150	(512.6%)
MAR		16		25		(9)	(35.9%)		18		(3)	(14.1%)		94		143		(49)	(34.2%)		153		(60)	(38.8%)	(19.9%)	7.0%	(2,689)	(382.1%)	14.8%	(3,470)	(233.7%)	(32.7%)	7.0%	(3,974)	(564.6%)	7.3%	(4,004)	(545.8%)
FENERGIC INC		34		16		17	105.3%		26		8	29.3%		121		95		26	27.5%		93		29	30.9%	21.3%	(1.0%)	2,225	(2245.0%)	13.4%	781	58.1%	6.1%	(1.0%)	707	(713.1%)	(2.8%)	886	(318.0%)
FMC		2		16		(14)	(86.3%)		42		(40)	(94.9%)		42		91		(49)	(54.1%)		238		(196)	(82.4%)	(55.6%)	155.0%	(21,064)	(135.9%)	7.4%	(6,299)	(855.0%)	(8.6%)	158.0%	(16,659)	(105.4%)	4.6%	(1,318)	(285.7%)
Other		527		602		(76)	(12.6%)		482		45	9.3%		1,837		3,468		(1,631)	(47.0%)		2,644		(807)	(30.5%)	8.8%	48.5%	(3,965)	(81.8%)	31.2%	(2,238)	(71.7%)	15.4%	301.2%	(28,587)	(94.9%)	22.9%	(755)	(32.9%)
Total Gross	\$	2,238	\$	2,671	\$	(433)	(16.2%)	\$	2,285	\$	(47)	(2.1%)	\$	11,918	\$	15,254	\$	(3,336)	(21.9%)	\$	13,156	\$	(1,238)	(9.4%)	3.7%	12.6%	(891)	(70.7%)	8.1%	(437)	(54.2%)	3.5%	10.1%	(660)	(65.3%)	5.9%	(243)	(41.0%)

Management Discussion

- Aml, Atis and Ostaco falling significantly behind budget.
- Good pick from prior month for Vailancourt

Key Performance Indicators - Terrebonne

ENERGI Terrebonne Patio Door KPI Report	2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	YTD 2020
Health & Safety										
<i>Recordable Incidents</i>	0	0	0	0	1	1	0	0	0	2
<i>TRIR (Total Recordable Incident Rate)</i>	<1	3.8	3.7	3.88	5.0	6.2	6.0	4.0		4
Quality Performance										
<i>Customer Complaints - per MLBS</i>	2.8	3.9	2.2	1.3	0.5	0.9	2.5	2.1	2.5	2
<i>Return as % of sales</i>	0.55%	1.04%	0.41%	0.37%	0.10%	0.50%	0.67%	0.57%	0.10%	0.46%
Delivery Performance										
<i>% on time in full</i>	95.00%	99.37%	93.75%	84%	37.65%	82.52%	68.20%	57.09%	58.54%	72.60%
<i>% by line items</i>	95.00%	99.37%	93.75%	84%	37.65%	82.52%	68.20%	57.09%	58.54%	72.60%
Costs										
<i>Direct Labour \$/FPV</i>	\$0.156	\$ 0.210	\$0.169	\$ 0.173	\$ 0.156	\$ 0.145	\$ 0.118	\$ 0.116	\$ 0.187	\$ 0.155
<i>Indirect Labour (incl D&D) \$/FPV</i>	\$0.055	\$ 0.092	\$0.074	\$ 0.074	\$ 0.093	\$ 0.046	\$ 0.042	\$ 0.030	\$ 0.056	\$ 0.058
Inventory										
<i>Days - TTM (Trailing 12 Months)</i>	68.4	64	64.0	64	67	68	68	68	67	64

Comments:

Quality: Improved. Less quality issues due to infiltration issue resolved

Delivery: mostly due to lack of material from supplier backorders since our suppliers also have backorders with their suppliers; also due to vacations, key employees difficult to replace by temps; also, several resignations from full-time employees

Costs: Higher due to high employee turnover resulting in lower efficiency

Full Year Terrebonne P&L Summary

\$'000	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Act	\$	%	
Units Produced ('000)	—	—	—	N/A	—	—	N/A	
Units Shipped ('000)	—	—	—	N/A	—	—	N/A	
Bookings (\$'000)	\$ 23,014	\$ 24,489	\$ (1,475)	(6.0%)	\$ 50,018	\$ (27,005)	(54.0%)	
Backlog (\$'000)	\$ 2,513	\$ 1,294	\$ 1,219	94.2%	\$ 3,634	\$ (1,121)	(30.8%)	
Gross Revenue	\$ 19,465	\$ 24,981	\$ (5,516)	(22.1%)	\$ 20,539	\$ (1,075)	(5.2%)	
Adj. to Gross Revenue	(1,029)	(1,229)	200	(16.3%)	(1,035)	6	(0.6%)	
Net Revenue	18,436	23,752	(5,316)	(22.4%)	19,505	(1,069)	(5.5%)	
Material	11,934	14,743	(2,809)	(19.1%)	12,383	(449)	(3.6%)	
Labor	3,932	4,500	(568)	(12.6%)	4,136	(204)	(4.9%)	
Other COGS	1,810	1,918	(108)	(5.6%)	2,093	(283)	(13.5%)	
Total COGS	17,676	21,161	(3,485)	(16.5%)	18,613	(937)	(5.0%)	
Gross Margin	760	2,592	(1,832)	(70.7%)	892	(132)	(14.8%)	
Gross Margin %	4.1%	10.9%			4.6%			
R&D	—	—	—	N/A	—	—	N/A	
Sales & Marketing	329	433	(104)	(24.0%)	417	(88)	(21.1%)	
Administrative	2,147	2,372	(225)	(9.5%)	2,310	(163)	(7.1%)	
Other Opex	(211)	—	(211)	N/A	34	(244)	(727.5%)	
Total Opex	2,265	2,805	(540)	(19.2%)	2,761	(495)	(17.9%)	
EBITDA	(1,505)	(213)	(1,292)	606.3%	(1,869)	364	(19.5%)	
EBITDA %	(8.2%)	(0.9%)			(9.6%)			
Net Income (Loss)	\$ (1,609)	\$ (365)	\$ (1,244)	341.0%	\$ (1,959)	\$ 350	(17.9%)	
Capex	\$ (169)	\$ (287)	\$ 118	(41.1%)	\$ (141)	\$ (28)	19.6%	
Opex Overview:								
Payroll	\$ 875	\$ 1,093	\$ (218)	(19.9%)	\$ 998	\$ (123)	(12.3%)	
Bonus	—	—	—	N/A	—	—	N/A	
Commissions	—	—	—	N/A	—	—	N/A	
Marketing	25	23	2	8.6%	59	(34)	(57.1%)	
Benefits	(195)	—	(195)	N/A	—	(195)	N/A	
Travel and entertainment	2	8	(6)	(76.4%)	10	(8)	(81.3%)	
Rent and facilities	—	—	—	N/A	—	—	N/A	
Insurance	—	—	—	N/A	—	—	N/A	
Professional fees	64	69	(5)	(7.4%)	66	(2)	(3.6%)	
Utilities, repair, maintenance, and security	50	73	(23)	(31.9%)	55	(5)	(9.7%)	
Corporate OH Fees	1,406	1,459	(53)	(3.6%)	1,463	(57)	(3.9%)	
Bad Debts	—	—	—	N/A	—	—	N/A	
FX	(15)	—	(15)	N/A	34	(49)	(146.1%)	
JV Loss (Income)	—	—	—	N/A	—	—	N/A	
Other Expenses	54	79	(25)	(32.0%)	75	(21)	(28.4%)	
Total Opex	\$ 2,265	\$ 2,805	\$ (540)	(19.2%)	\$ 2,761	\$ (495)	(17.9%)	

Key Customers – Full Year Terrebonne

	Gross Sales (\$'000)									Gross Margin %									
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var			
	Fcst	Bud	\$	%	Act	\$	%	Fcst	Bud	BPs	%	Act	BPs	%					
Customer:																			
A.M.I.	\$	3,551	\$	4,227	\$	(676)	(16.0%)	\$	3,628	\$	(77)	(2.1%)	11.6%	7.9%	370	46.9%	10.2%	140	13.7%
ATIS PORTES & FENETRES		2,961		3,489		(529)	(15.2%)		252		2,708	1073.8%	(10.0%)	(15.2%)	517	(34.0%)	(161.1%)	15,102	(93.8%)
GOLDEN WINDOWS		2,352		2,326		26	1.1%		2,132		220	10.3%	(14.3%)	5.3%	(1,961)	(370.8%)	7.1%	(2,145)	(301.0%)
OSTACO 2000 WINDOORS INC		1,496		1,861		(365)	(19.6%)		1,769		(273)	(15.4%)	7.3%	(10.2%)	1,753	(172.1%)	(7.1%)	1,444	(203.5%)
PORTES & FENETRES ABRITEK		1,034		1,085		(51)	(4.7%)		1,545		(511)	(33.1%)	(0.9%)	14.4%	(1,532)	(106.2%)	10.5%	(1,136)	(108.6%)
DASHWOOD INDUSTRIES INC		1,123		930		192	20.7%		996		127	12.8%	10.2%	(8.8%)	1,899	(216.0%)	(0.4%)	1,056	(2932.9%)
P & F ISOTHERMIC INC		592		853		(261)	(30.6%)		943		(351)	(37.2%)	(4.0%)	(9.2%)	519	(56.4%)	5.9%	(991)	(167.9%)
VAILLANCOURT INC.		953		853		101	11.8%		937		16	1.8%	(1.2%)	7.0%	(817)	(117.4%)	9.6%	(1,083)	(112.6%)
EXTREME WINDOW AND		528		504		24	4.8%		462		66	14.3%	(2.3%)	(8.3%)	597	(71.8%)	(3.9%)	157	(40.1%)
Fenêtres Concept		455		442		13	2.9%		487		(32)	(6.6%)	8.4%	29.6%	(2,129)	(71.8%)	32.3%	(2,390)	(74.1%)
YKK AP VINYL		337		361		(24)	(6.7%)		371		(35)	(9.4%)	8.2%	41.9%	(3,372)	(80.5%)	49.9%	(4,176)	(83.6%)
CANADIAN VINYLTEK WINDOWS C		283		349		(66)	(18.9%)		387		(104)	(26.8%)	21.0%	(15.9%)	3,692	(232.4%)	(10.8%)	3,189	(293.9%)
MASON WINDOWS LTD		317		349		(32)	(9.3%)		344		(28)	(8.0%)	(11.5%)	8.3%	(1,988)	(238.5%)	12.0%	(2,350)	(196.5%)
CEN		343		349		(6)	(1.8%)		381		(39)	(10.1%)	13.4%	20.8%	(741)	(35.6%)	22.0%	(859)	(39.1%)
TRI-STATE WINDOW FACTORY		259		309		(51)	(16.4%)		411		(152)	(37.0%)	27.8%	20.3%	753	37.2%	16.5%	1,133	68.8%
ATLANTIC WINDOWS		284		271		13	4.8%		245		39	15.9%	17.7%	(1.1%)	1,877	(1704.7%)	1.2%	1,646	1359.1%
LORENDO INC.		292		233		60	25.7%		206		86	41.7%	5.1%	(2.0%)	708	(350.3%)	(2.1%)	713	(344.2%)
MAR		184		233		(49)	(21.0%)		243		(59)	(24.3%)	(16.2%)	7.0%	(2,325)	(330.3%)	13.5%	(2,975)	(219.8%)
FENERGIC INC		181		155		26	16.9%		152		30	19.4%	6.0%	(1.0%)	703	(709.4%)	6.5%	(44)	(6.9%)
FMC		99		149		(49)	(33.2%)		369		(269)	(73.0%)	77.9%	163.9%	(8,605)	(52.5%)	5.9%	7,199	1220.1%
Other		1,842		5,654		(3,812)	(67.4%)		4,280		(2,438)	(57.0%)	20.3%	196.4%	(17,610)	(89.6%)	1.4%	1,895	1367.6%
Total Gross	\$	19,465	\$	24,981	\$	(5,516)	(22.1%)	\$	20,539	\$	(1,075)	(5.2%)	3.9%	10.4%	(656)	(63.0%)	4.3%	(48)	(11.1%)

ECS Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	9,293	8,727	565	6.5%	57,294	65,511	(8,217)	(12.5%)
Units Shipped ('000)	9,592	8,727	865	9.9%	58,259	65,511	(7,251)	(11.1%)
Bookings (\$'000)	\$ 801	\$ 733	\$ 68	9.2%	\$ 6,266	\$ 5,315	\$ 950	17.9%
Backlog (\$'000)	\$ 759	\$ 186	\$ 573	307.4%	\$ 759	\$ 186	\$ 573	307.4%
External Revenue	\$ 993	\$ 776	\$ 217	28.0%	\$ 6,053	\$ 5,870	\$ 183	3.1%
Affiliate Revenue	\$ 5,891	\$ 5,374	\$ 516	9.6%	\$ 34,686	\$ 40,454	\$ (5,768)	(14.3%)
Gross Revenue	\$ 6,884	\$ 6,150	\$ 734	11.9%	\$ 40,738	\$ 46,324	\$ (5,585)	(12.1%)
Adj. to Gross Revenue	(28)	—	(28)	N/A	(30)	—	(30)	N/A
Net Revenue	6,855	6,150	705	11.5%	40,709	46,324	(5,615)	(12.1%)
Material	5,550	5,282	268	5.1%	33,001	39,262	(6,260)	(15.9%)
Labor	144	156	(12)	(7.7%)	948	1,288	(340)	(26.4%)
Other COGS	489	558	(69)	(12.4%)	3,149	4,259	(1,110)	(26.1%)
Total COGS	6,183	5,996	187	3.1%	37,099	44,809	(7,710)	(17.2%)
Gross Margin	673	155	518	335.2%	3,610	1,515	2,095	138.3%
Gross Margin %	9.8%	2.5%			8.9%	3.3%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	17	25	(8)	(32.2%)	124	203	(79)	(39.0%)
Administrative	134	148	(15)	(9.8%)	1,085	1,211	(126)	(10.4%)
Other Opex	(167)	—	(167)	N/A	(253)	—	(253)	N/A
Total Opex	(17)	173	(190)	(109.6%)	956	1,414	(459)	(32.4%)
EBITDA	689	(19)	708	(3816.3%)	2,654	100	2,554	2542.1%
EBITDA %	10.1%	(0.3%)			6.5%	0.2%		
Net Income (Loss)	\$ 626	\$ (83)	\$ 709	(855.7%)	\$ 2,171	\$ (407)	\$ 2,578	(633.0%)
Capex	\$ —	\$ (38)	\$ 38	(100.0%)	\$ —	\$ (464)	\$ 464	(100.0%)
Opex Overview:								
Payroll	\$ 34	\$ 43	\$ (9)	(21.5%)	\$ 286	\$ 364	\$ (78)	(21.4%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	6	3	3	112.2%	51	22	30	138.0%
Marketing	—	—	—	N/A	—	—	—	N/A
Benefits	—	—	—	N/A	(82)	—	(82)	N/A
Travel and entertainment	—	4	(4)	(100.0%)	6	18	(12)	(67.8%)
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	6	7	(1)	(8.2%)	46	62	(17)	(27.0%)
Professional fees	—	0	(0)	(100.0%)	0	1	(1)	(81.1%)
Utilities, repair, maintenance, and	1	1	(1)	(50.6%)	5	11	(5)	(51.6%)
Corporate OH Fees	104	102	1	1.3%	810	839	(28)	(3.4%)
Bad Debts	—	—	—	N/A	—	—	—	N/A
FX	(167)	—	(167)	N/A	(171)	—	(171)	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	(0)	12	(12)	(102.3%)	4	98	(94)	(95.8%)
Total Opex	\$ (17)	\$ 173	\$ (190)	(109.6%)	\$ 956	\$ 1,414	\$ (459)	(32.4%)

Management Discussion

Net Revenue – Aug-20: +\$705K

- Sales volume up 9.9% or \$609k driven by increased demand from affiliate customers 8%
- Favorable price/mix of \$74K primarily driven customer/product mix.
- Favorable F/X of \$22k (actual rate of 1.3222 [or \$USD 0.7563] vs. 1.33 [or \$USD 0.7519])

EBITDA – Aug-20: +\$708K

- Material COGS:** Increase in costs by \$268k driven by higher volume \$523k and an unfavorable product mix of \$32k (loss of resin early payment discount). Offset by lower material costs \$264k (additives \$262k) and a favorable MUV and inventory adjustment of \$25k.
- Labor COGS:** Decrease in cost by \$12k due to nil pension or wage increases.
- Other COGS:** Decrease in cost by 69k primarily driven by lower utilities \$49k (Global Adjustment and lower usage) and lower freight expenses \$29k (lower rates CP vs CN & Pentagon to Delmont). Offset by unfavorable absorption of \$12k.
- Sales and Marketing:** Decreased in cost by \$8k driven lower nil pension or wage increases
- Administrative:** Decrease in cost by \$15k driven by nil pension or wage increases, no CSR and accrued vacation utilization
- Other Opex:** Decrease in cost by \$167k driven by favorable F/X revaluation of working capital balances

Key Customers – Gross Sales and Gross Margin %: ECS

	Gross Sales (\$'000)														Gross Margin %																							
	MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var		MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var							
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	\$	%	Act	Bud	BPs	%	Act	BPs	%	Act	Bud	BPs	%	Act	BPs	%							
Customer:																																						
Vinyl Profiles, LLC	\$	97	\$	228	\$	(131)	(57.5%)	\$	195	\$	(98)	(50.3%)	\$	1,303	\$	1,873	\$	(570)	(30.4%)	\$	1,771	\$	(468)	(26.4%)	18.1%	8.7%	937	107.1%	20.0%	(188)	(9.4%)	22.2%	15.4%	680	44.2%	34.0%	(1,186)	(34.9%)
Nuform Building Technologies Inc		189		160		29	18.4%		226		(37)	(16.4%)		1,357		1,089		268	24.6%		1,093		264	24.2%	26.7%	13.0%	1,367	105.1%	26.5%	12	0.4%	26.0%	8.0%	1,798	224.4%	16.7%	928	55.6%
The Vinyl Company Inc.		185		118		67	57.1%		134		51	38.1%		457		881		(424)	(48.1%)		871		(414)	(47.5%)	11.4%	11.5%	(17)	(1.5%)	10.1%	123	12.2%	15.4%	11.9%	360	30.4%	15.9%	(43)	(2.7%)
Vinylume Products Inc		97		64		33	50.5%		66		31	47.0%		417		454		(37)	(8.2%)		458		(41)	(9.0%)	21.5%	11.7%	987	84.7%	22.7%	(119)	(5.2%)	24.5%	12.2%	1,237	101.7%	24.3%	21	0.9%
Accord Plastics Corp.		70		52		18	34.8%		54		16	29.6%		375		433		(58)	(13.5%)		441		(66)	(15.0%)	18.8%	6.4%	1,237	193.8%	16.7%	208	12.5%	18.0%	6.8%	1,125	166.6%	18.5%	(47)	(2.5%)
Window Seal Limited		–		30		(30)	(100.0%)		27		(27)	(100.0%)		5		59		(54)	(91.6%)		57		(52)	(91.2%)	#DIV/0!	6.2%	–	#VALUE!	11.1%	NA	#VALUE!	2.6%	6.6%	(400)	(60.7%)	8.6%	(602)	(69.9%)
New Customers (L.B. Plastics)		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	#VALUE!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	0.0%	0.0%	–	N/A	0.0%	-	N/A
Prasad Plastics Limited		36		2		34	1679.0%		15		21	140.0%		162		10		152	1503.6%		34		128	376.5%	18.8%	14.2%	453	31.8%	20.0%	(125)	(6.3%)	22.8%	2.8%	2,000	721.6%	5.9%	1,683	283.3%
Superior Extrusions Ltd		9		9		0	3.5%		12		(3)	(25.0%)		28		31		(3)	(8.9%)		35		(7)	(20.0%)	33.3%	44.1%	(1,075)	(24.4%)	33.3%	-	0.0%	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Vytron Corporation		–		3		(3)	(100.0%)		3		(3)	(100.0%)		–		15		(15)	(100.0%)		16		(16)	(100.0%)	#DIV/0!	59.1%	–	#VALUE!	59.1%	NA	#VALUE!	0.0%	2.6%	(259)	(100.0%)	11.5%	(1,145)	(100.0%)
Plastibec Ltee		–		–		-	N/A		–		-	N/A		5		5		(0)	(8.6%)		6		(1)	(16.7%)	60.0%	#VALUE!	–	#VALUE!	#VALUE!	NA	#VALUE!	#DIV/0!	4.9%	–	#VALUE!	8.4%	NA	#VALUE!
Vinyl Profiles (2011)		22		18		4	19.2%		12		10	83.3%		128		57		71	124.9%		63		65	103.2%	23.1%	13.7%	941	68.9%	25.0%	(192)	(7.7%)	728.6%	22.3%	70,627	3167.3%	42.1%	68,647	1630.4%
Fence Outlet MDC, LLC		105		44		61	136.2%		44		61	136.2%		797		356		441	124.1%		65		732	1117.7%	22.3%	(9.3%)	3,167	(339.0%)	0.0%	2,233	N/A	#DIV/0!	(201.1%)	–	#VALUE!	41.1%	NA	#VALUE!
INFINITY EXTRUSIONS INC.		–		–		-	N/A		7		(7)	(100.0%)		–		43		(43)	(100.0%)		51		(51)	(100.0%)	#DIV/0!	#VALUE!	–	#VALUE!	28.6%	NA	#VALUE!	0.0%	50.5%	(5,055)	(100.0%)	133.3%	(13,333)	(100.0%)
Resin Technology, LLC		–		–		-	N/A		44		(44)	(100.0%)		–		174		(174)	(100.0%)		441		(441)	(100.0%)	#DIV/0!	#VALUE!	–	#VALUE!	0.0%	NA	N/A	#DIV/0!	0.0%	–	N/A	42.3%	NA	#VALUE!
Delcan Manufacturing Ltd		119		47		72	151.1%		–		119	N/A		949		379		570	150.3%		31		918	2934.3%	15.1%	58.6%	(4,358)	(74.3%)	0.0%	1,507	N/A	18.9%	12.5%	639	51.0%	6.9%	1,200	173.2%
Mor-X Plastics		–		–		-	N/A		–		-	N/A		–		10		(10)	(100.0%)		–		-	N/A	#VALUE!	0.0%	–	N/A	0.0%	NA	N/A	#DIV/0!	18.7%	–	#VALUE!	#DIV/0!	NA	#DIV/0!
0		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	0.0%	–	N/A	0.0%	NA	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	0.0%	–	N/A	0.0%	NA	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	0.0%	–	N/A	0.0%	NA	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Other		6,052		5,603		449	8.0%		5,644		408	7.2%		36,058		42,326		(6,268)	(14.8%)		42,015		(5,957)	(14.2%)	7.9%	1.4%	648	468.2%	3.3%	454	136.8%	5.8%	2.3%	346	147.7%	3.7%	214	58.5%
Total Gross	\$	6,884	\$	6,150	\$	734	11.9%	\$	6,484	\$	399	6.2%	\$	40,738	\$	46,324	\$	(5,585)	(12.1%)	\$	47,449	\$	(6,710)	(14.1%)	9.8%	2.5%	726	288.8%	5.3%	452	85.9%	8.5%	3.4%	516	154.1%	5.9%	266	45.4%

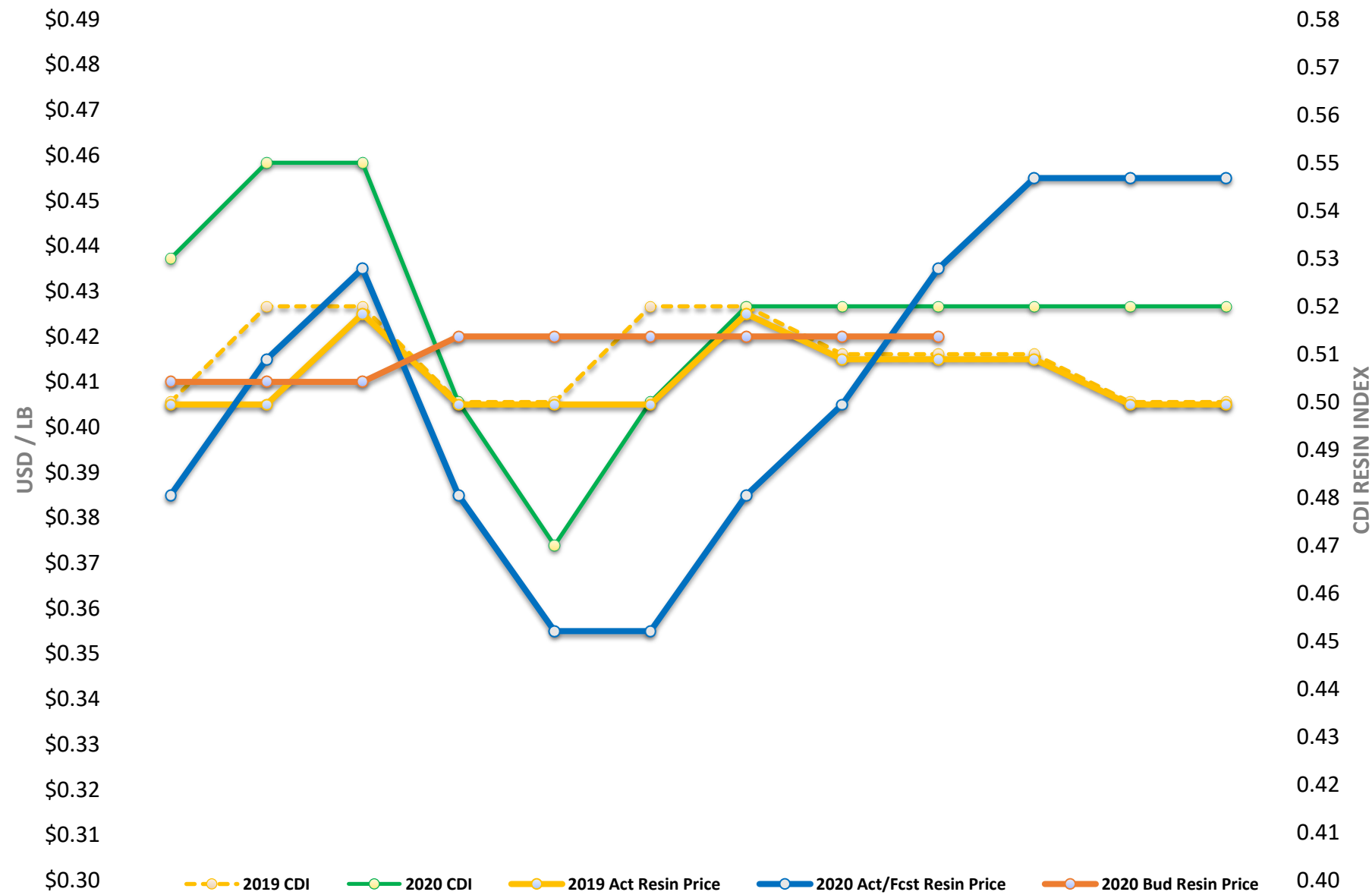
Management Discussion

- Strong demand across most customers
- Nuform, Vinyl Company, Fence Outlet, Prasad and Delcan continue to remain positive.
- Good pick from Vinylume and Accord

ECS Material Cost Summary

	Q1-20	Q2-20	Jul-20	Aug-20	FY	Q1-20	Q2-20	Jul-20	Aug-20	FY	Q1-20	Q1-20	Jul-20	Aug-20	FY
US \$'000	Act	Act	Act	Act	Act	AOP	AOP	AOP	AOP	AOP	Actual-AOP	Actual-AOP	Actual-AOP	Actual-AOP	Actual-AOP
Sales															
Total Sales - Non-Patio & Doors - S'000	\$ 16,956	\$ 10,773	\$ 6,427	\$ 6,855	\$ 41,011	\$ 15,350	\$ 18,593	\$ 6,143	\$ 6,150	\$ 46,236	\$ 1,606	\$ (7,820)	\$ 284	\$ 705	\$ (5,225)
Total Sales - Non-Patio & Doors - Lbs	24,045	15,472	9,150	9,592	58,259	21,828	26,303	8,652	8,727	65,511	2,217	(10,831)	497	865	(7,251)
FX Rate			1.3499	1.3222				1.3300	1.3300						
Materials - ASP															
ADDITIVE	\$ 3.57	\$ 3.61	3.6341	3.5975	\$ 3.60	\$ 3.69	\$ 3.69	3.6884	3.6884	\$ 3.69	\$ (0.1212)	\$ (0.0765)	\$ (0.0543)	\$ (0.0910)	\$ (0.0857)
ADDITIVE (IMPACT MODIFIER)	\$ 1.40	\$ 1.31	1.2722	1.2758	\$ 1.31	\$ 1.52	\$ 1.52	1.5225	1.5225	\$ 1.52	\$ (0.1255)	\$ (0.2131)	\$ (0.2502)	\$ (0.2466)	\$ (0.2089)
ADDITIVE (PROCESSING AID)	\$ 1.40	\$ 1.32	1.2983	1.2821	\$ 1.32	\$ 1.56	\$ 1.56	1.5565	1.5565	\$ 1.56	\$ (0.1606)	\$ (0.2337)	\$ (0.2582)	\$ (0.2744)	\$ (0.2317)
FILLER	\$ 0.20	\$ 0.18	0.1791	0.1785	\$ 0.19	\$ 0.22	\$ 0.22	0.2201	0.2201	\$ 0.22	\$ (0.0204)	\$ (0.0373)	\$ (0.0410)	\$ (0.0417)	\$ (0.0351)
LUBRICANT	\$ 0.92	\$ 0.91	0.9182	0.9080	\$ 0.91	\$ 0.93	\$ 0.93	0.9292	0.9292	\$ 0.93	\$ (0.0113)	\$ (0.0234)	\$ (0.0109)	\$ (0.0212)	\$ (0.0167)
PIGMENT - C	\$ 2.81	\$ 1.87	2.8123	2.8123		\$ 2.95	\$ 2.95	2.9529	2.9529	\$ 2.95	\$ (0.1406)	\$ (1.0780)	\$ (0.1406)	\$ (0.1406)	\$ (2.9529)
PIGMENT - G	\$ 2.89	\$ 2.50	2.5555	2.8498	\$ 2.70	\$ 2.79	\$ 2.79	2.7900	2.7900	\$ 2.79	\$ 0.1008	\$ (0.2878)	\$ (0.2344)	\$ 0.0599	\$ (0.0904)
PIGMENT - HC	\$ 5.57	\$ 5.35	5.9834	6.1609	\$ 5.77	\$ 5.89	\$ 5.89	5.8923	5.8923	\$ 5.89	\$ (0.3264)	\$ (0.5406)	\$ 0.0911	\$ 0.2686	\$ (0.1268)
PIGMENT - PC	\$ 5.23	\$ 5.00	4.4468	5.0074	\$ 4.92	\$ 7.27	\$ 7.27	7.2745	7.2745	\$ 7.27	\$ (2.0490)	\$ (2.2699)	\$ (2.8278)	\$ (2.2671)	\$ (2.3534)
PKG								7.9177	7.9177	\$ 7.92	\$ -	\$ -	\$ (7.9177)	\$ (7.9177)	\$ (7.9177)
PLASTICIZER	\$ 0.81	\$ 0.54	0.8112	0.8102	\$ 0.74	\$ 0.88	\$ 0.88	0.8755	0.8755	\$ 0.88	\$ (0.0655)	\$ (0.3353)	\$ (0.0644)	\$ (0.0653)	\$ (0.1326)
RESIN	\$ 0.41	\$ 0.37	0.3852	0.4053	\$ 0.39	\$ 0.41	\$ 0.42	0.4200	0.4200	\$ 0.42	\$ 0.0018	\$ (0.0547)	\$ (0.0348)	\$ (0.0147)	\$ (0.0256)
STABILIZER	\$ 3.11	\$ 2.77	3.0342	3.0810	\$ 3.00	\$ 3.41	\$ 3.41	3.4121	3.4121	\$ 3.41	\$ (0.2984)	\$ (0.6386)	\$ (0.3779)	\$ (0.3311)	\$ (0.4115)
TIO2	\$ 1.39	\$ 1.39	1.3900	1.3900	\$ 1.39	\$ 1.39	\$ 1.39	1.3900	1.3900	\$ 1.39	\$ (0.0018)	\$ (0.0020)	\$ -	\$ -	\$ (0.0010)
Material Other											\$ -	\$ -	\$ -	\$ -	\$ -
Materials - \$'000															
ADDITIVE	\$ 361	\$ 222	\$ 158	\$ 151	\$ 892	\$ 333	\$ 401	\$ 132	\$ 133	\$ 1,000	\$ 28	\$ (180)	\$ 26	\$ 18	\$ (108)
ADDITIVE (IMPACT MODIFIER)	\$ 1,261	\$ 743	\$ 443	\$ 472	\$ 2,919	\$ 1,215	\$ 1,464	\$ 481	\$ 486	\$ 3,645	\$ 46	\$ (721)	\$ (38)	\$ (14)	\$ (726)
ADDITIVE (PROCESSING AID)	\$ 207	\$ 121	\$ 71	\$ 74	\$ 474	\$ 213	\$ 257	\$ 85	\$ 85	\$ 640	\$ (6)	\$ (136)	\$ (13)	\$ (11)	\$ (166)
FILLER	\$ 236	\$ 149	\$ 98	\$ 99	\$ 582	\$ 279	\$ 336	\$ 111	\$ 112	\$ 838	\$ (43)	\$ (187)	\$ (13)	\$ (12)	\$ (256)
LUBRICANT	\$ 493	\$ 316	\$ 188	\$ 194	\$ 1,191	\$ 452	\$ 544	\$ 179	\$ 181	\$ 1,356	\$ 41	\$ (228)	\$ 9	\$ 14	\$ (165)
PIGMENT - C	\$ -	\$ 5	\$ -	\$ -	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ -	\$ -	\$ 5
PIGMENT - G	\$ 154	\$ 84	\$ 60	\$ 57	\$ 355	\$ 203	\$ 245	\$ 81	\$ 81	\$ 611	\$ (49)	\$ (162)	\$ (21)	\$ (24)	\$ (256)
PIGMENT - HC	\$ 148	\$ 105	\$ 64	\$ 55	\$ 371	\$ 148	\$ 178	\$ 58	\$ 59	\$ 443	\$ 0	\$ (73)	\$ 6	\$ (4)	\$ (72)
PIGMENT - PC	\$ 49	\$ 33	\$ 17	\$ 16	\$ 116	\$ 27	\$ 33	\$ 11	\$ 11	\$ 82	\$ 22	\$ 0	\$ 6	\$ 5	\$ 34
PKG	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PLASTICIZER	\$ 72	\$ 25	\$ 39	\$ 36	\$ 172	\$ 70	\$ 85	\$ 28	\$ 28	\$ 211	\$ 1	\$ (59)	\$ 11	\$ 8	\$ (39)
RESIN	\$ 7,794	\$ 4,371	\$ 2,717	\$ 3,020	\$ 17,903	\$ 6,979	\$ 8,614	\$ 2,834	\$ 2,858	\$ 21,285	\$ 815	\$ (4,243)	\$ (117)	\$ 162	\$ (3,382)
STABILIZER	\$ 932	\$ 501	\$ 352	\$ 368	\$ 2,153	\$ 896	\$ 1,079	\$ 355	\$ 358	\$ 2,688	\$ 36	\$ (578)	\$ (3)	\$ 10	\$ (535)
TIO2	\$ 2,478	\$ 1,574	\$ 967	\$ 979	\$ 5,998	\$ 2,203	\$ 2,655	\$ 873	\$ 881	\$ 6,612	\$ 275	\$ (1,081)	\$ 94	\$ 98	\$ (615)
Scrap	\$ 82	\$ 51	\$ 39	\$ 42	\$ 215	\$ 88	\$ 82	\$ 29	\$ 30	\$ 229	\$ (6)	\$ (31)	\$ 10	\$ 12	\$ (15)
BOM Scrap (not in P&L and 2020 AOP)	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PIP Savings	\$ (12)	\$ (3)	\$ (4)	\$ (3)	\$ (22)	\$ -	\$ -			\$ -	\$ (12)	\$ (3)	\$ (4)	\$ (3)	\$ (22)
Kronos Rebates (\$0.01)	\$ (16)	\$ (9)	\$ (8)	\$ (4)	\$ (37)	\$ (16)	\$ (19)	\$ (6)	\$ (6)	\$ (48)	\$ 0	\$ 11	\$ (2)	\$ 2	\$ 11
Resin Rebate & Discount	\$ (208)	\$ (70)	\$ (35)	\$ (61)	\$ (374)	\$ (225)	\$ (275)	\$ (90)	\$ (91)	\$ (681)	\$ 17	\$ 205	\$ 55	\$ 30	\$ 307
Amortization Timing	\$ (177)	\$ 373	\$ (127)	\$ (56)	\$ 12	\$ (78)	\$ (73)	\$ (1)	\$ 5	\$ (147)	\$ (100)	\$ 446	\$ (127)	\$ (61)	\$ 159
Packaging	\$ 24	\$ 64	\$ 38	\$ 33	\$ 160	\$ 99	\$ 90	\$ 27	\$ 34	\$ 250	\$ (75)	\$ (26)	\$ 11	\$ (0)	\$ (91)
Material Other	\$ (126)	\$ 161	\$ 5	\$ 82	\$ 121	\$ 41	\$ 107	\$ 62	\$ 38	\$ 247	\$ (167)	\$ 54	\$ (58)	\$ 44	\$ (126)
Total Material Costs	\$ 13,752	\$ 8,816	\$ 5,083	\$ 5,554	\$ 33,205	\$ 12,928	\$ 15,803	\$ 5,249	\$ 5,282	\$ 39,262	\$ 824	\$ (6,988)	\$ (166)	\$ 272	\$ (6,057)

Historical Resin Price Chart



Key Performance Indicators - ECS

ENERGI Compound Solutions	2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	YTD 2020
Health & Safety										
Recordable(effects TRIR)	0	0	0	0	0	0	0	0	0	0
Near Misses	2	0	0	0	0	1	0	1	0	2
Environmental										
Recordable(effects TRIR)	0	0	0	0	0	0	0	0	0	0
Near Misses	2	0	0	0	0	0	0	0	0	0
Quality Performance										
Concerns per million Good Lbs	0.3	0.1	0.1	0.0		0.0	0.0	0.0	0.1	0.1
Return as % of sales (%)	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%
Delivery Performance										
% on time	100%	100%	100%	100%	79%	100%	100%	100%	100%	97%
Material Cost										
Yield	100%	99%	99%	100%	100%	99%	100%	99%	99%	99%
Production Scrap	1.00%	0.5%	0.6%	0.5%	0.3%	0.5%	0.4%	0.6%	0.72%	0.52%
Total Material Usage Variance	2.00%	1.8%	-2.5%	0.5%	0.3%	2.5%	0	(0)	0	0.34%
Direct Labour \$/lb produced	0.009	0.007	0.009	0.008	0.008	0.014	0.002	0.003	0.007	0.006
Indirect Labour (incl D&D) \$/lb produced	0.014	0.017	0.017	0.018	0.020	0.021	0.007	0.006	0.014	0.014
Inventory										
Days - TTM (Trailing 12 Months)	41	39	37	36	38	39	38	37	36	37
Freight										
Freight \$ as % of net sales	3.9%	3.2%	3.3%	3.1%	2.8%	2.9%	2.6%	2.4%	2.9%	2.9%

COMMENTS:

- **Quality:** Returned from Accord due to the surface roughness issue during extrusion.

Full Year ECS P&L Summary

\$'000		FY		Var		PY		Var	
		Fcst	Bud	\$	%	Act	\$	%	
Units Produced ('000)		79,605	96,359	(16,754)	(17.4%)	94,835	(15,229)	(16.1%)	
Units Shipped ('000)		80,271	96,359	(16,088)	(16.7%)	94,874	(14,602)	(15.4%)	
Bookings (\$'000)		\$ 7,882	\$ 7,417	\$ 465	6.3%	\$ 8,361	\$ (479)	(5.7%)	
Backlog ('\$000)		\$ 393	\$ 122	\$ 271	221.5%	\$ 370	\$ 23	6.2%	
	External Revenue	\$ 7,464	\$ 7,239	\$ 225	3.1%	\$ 8,282	\$ (818)	(9.9%)	
	Affiliate Revenue	\$ 47,882	\$ 46,918	\$ 963	2.1%	\$ 59,476	\$ (11,595)	(19.5%)	
Gross Revenue		\$ 55,346	\$ 68,044	\$ (12,698)	(18.7%)	\$ 67,758	\$ (12,413)	(18.3%)	
Adj. to Gross Revenue		(1)	–	(1)	N/A	1	(2)	(246.3%)	
Net Revenue		55,344	68,044	(12,699)	(18.7%)	67,759	(12,415)	(18.3%)	
Material		45,909	57,758	(11,849)	(20.5%)	53,610	(7,701)	(14.4%)	
Labor		1,502	1,940	(439)	(22.6%)	1,766	(265)	(15.0%)	
Other COGS		4,742	6,208	(1,467)	(23.6%)	5,475	(733)	(13.4%)	
Total COGS		52,152	65,906	(13,754)	(20.9%)	60,851	(8,698)	(14.3%)	
Gross Margin		3,192	2,138	1,054	49.3%	6,909	(3,717)	(53.8%)	
Gross Margin %		5.8%	3.1%			10.2%			
R&D		–	–	–	N/A	–	–	N/A	
Sales & Marketing		187	303	(116)	(38.3%)	154	33	21.2%	
Administrative		1,649	1,805	(155)	(8.6%)	1,747	(97)	(5.6%)	
Other Opex		(86)	–	(86)	N/A	(242)	157	(64.7%)	
Total Opex		1,751	2,108	(357)	(16.9%)	1,658	92	5.6%	
EBITDA		1,441	30	1,411	4723.3%	5,250	(3,809)	(72.5%)	
EBITDA %		2.6%	0.0%			7.7%			
Net Income (Loss)		\$ 721	\$ (734)	\$ 1,456	(198.2%)	\$ 4,567	\$ (3,846)	(84.2%)	
Capex		\$ (166)	\$ (601)	\$ 435	(72.4%)	\$ (347)	\$ 181	(52.2%)	
Opex Overview:									
Payroll		\$ 450	\$ 544	\$ (94)	(17.2%)	\$ 546	\$ (96)	(17.6%)	
Bonus		–	–	–	N/A	–	–	N/A	
Commissions		69	32	37	115.8%	4	65	1587.1%	
Marketing		0	1	(0)	(5.0%)	–	0	N/A	
Benefits		(82)	–	(82)	N/A	–	(82)	N/A	
Travel and entertainment		20	29	(9)	(31.2%)	16	4	23.5%	
Rent and facilities		–	–	–	N/A	–	–	N/A	
Insurance		71	89	(18)	(20.5%)	69	2	3.2%	
Professional fees		1	1	(1)	(53.5%)	2	(1)	(66.5%)	
Utilities, repair, maintenance, and security		9	14	(5)	(34.3%)	12	(2)	(20.0%)	
Corporate OH Fees		1,200	1,251	(51)	(4.1%)	1,246	(46)	(3.7%)	
Bad Debts		–	–	–	N/A	3	(3)	(100.0%)	
FX		(3)	–	(3)	N/A	(242)	239	(98.7%)	
JV Loss (Income)		–	–	–	N/A	–	–	N/A	
Other Expenses		15	146	(131)	(89.5%)	6	10	174.9%	
Total Opex		\$ 1,751	\$ 2,108	\$ (357)	(16.9%)	\$ 1,661	\$ 89	5.4%	

Key Customers – Full Year ECS

	Gross Sales (\$'000)									Gross Margin %									
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var			
	Fcst	Bud	\$	%	Act	\$	%	Fcst	Bud	BPs	%	Act	BPs	%					
Customer:																			
Vinyl Profiles, LLC	\$	1,806	\$	2,748	\$	(941)	(34.3%)	\$	2,756	\$	(950)	(34.5%)	19.0%	16.5%	253	15.3%	20.0%	(99)	(5.0%)
Nuform Building Technologies Inc		2,045		1,488		557	37.5%		1,838		207	11.3%	31.0%	7.4%	2,362	319.7%	27.3%	375	13.8%
The Vinyl Company Inc.		816		1,297		(481)	(37.1%)		1,399		(583)	(41.7%)	18.3%	11.8%	642	54.3%	14.5%	377	26.0%
Vinylume Products Inc		724		583		142	24.3%		642		82	12.8%	24.7%	12.1%	1,261	103.9%	24.1%	60	2.5%
Accord Plastics Corp.		573		615		(42)	(6.8%)		591		(18)	(3.0%)	18.1%	6.7%	1,137	169.1%	18.2%	(13)	(0.7%)
Window Seal Limited		5		59		(54)	(91.6%)		102		(97)	(95.1%)	2.3%	9.7%	(741)	(76.1%)	14.7%	(1,237)	(84.1%)
New Customers (L.B. Plastics)		–		–		-	N/A		–		-	N/A	0.0%	0.0%	–	N/A	#DIV/0!	NA	#DIV/0!
Prasad Plastics Limited		169		14		155	1096.2%		55		114	207.7%	20.4%	2.9%	1,750	603.5%	18.2%	221	12.2%
Superior Extrusions Ltd		46		41		5	12.3%		44		2	4.1%	#DIV/0!	#DIV/0! –		#DIV/0!	27.3%	NA	#VALUE!
Vytron Corporation		3		15		(12)	(79.9%)		33		(30)	(90.8%)	0.0%	1.9%	(193)	(100.0%)	32.8%	(3,282)	(100.0%)
Plastibec Ltee		10		8		2	18.7%		6		4	61.0%	#DIV/0!	7.3% –		#VALUE!	66.7%	NA	#VALUE!
Vinyl Profiles (2011)		163		76		88	116.1%		94		69	73.7%	728.1%	15.5%	71,258	4588.0%	24.5%	70,364	2875.8%
Fence Outlet MDC, LLC		1,233		533		700	131.1%		90		1,142	1263.1%	17603.1%	(274.2%)	1,787,732	(6519.6%)	11.1%	1,759,206	159120.2%
INFINITY EXTRUSIONS INC.		–		43		(43)	(100.0%)		125		(125)	(100.0%)	0.0%	34.0%	(3,398)	(100.0%)	15.2%	(1,520)	(100.0%)
Resin Technology, LLC		–		174		(174)	(100.0%)		442		(442)	(100.0%)	#DIV/0!	0.0% –		N/A	38.9%	NA	#VALUE!
Delcan Manufacturing Ltd		1,491		569		923	162.2%		31		1,460	4668.4%	19.4%	12.4%	696	56.1%	0.0%	1,938	N/A
Mor-X Plastics		–		20		(20)	(100.0%)		–		-	N/A	#DIV/0!	18.9% –		#VALUE!	0.0%	NA	N/A
0		–		–		-	N/A		–		-	N/A	#DIV/0!	#DIV/0! –		#DIV/0!	0.0%	NA	N/A
0		–		–		-	N/A		–		-	N/A	#DIV/0!	#DIV/0! –		#DIV/0!	0.0%	NA	N/A
0		–		–		-	N/A		–		-	N/A	#DIV/0!	#DIV/0! –		#DIV/0!	0.0%	NA	N/A
Other		49,946		62,508		(12,563)	(20.1%)		59,510		(9,564)	(16.1%)	4.2%	2.2%	202	91.9%	3.6%	62	17.4%
Total Gross	\$	57,225	\$	68,044	\$	(10,819)	(15.9%)	\$	67,758	\$	(10,533)	(15.5%)	7.2%	3.2%	398	124.4%	5.8%	137	23.6%

Corporate Office Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	–	–	–	N/A	–	–	–	N/A
Units Shipped ('000)	–	–	–	N/A	–	–	–	N/A
Bookings (\$'000)	\$ –	\$ –	\$ –	N/A	\$ –	\$ –	\$ –	N/A
Backlog (\$'000)	\$ –	\$ –	\$ –	N/A	\$ –	\$ –	\$ –	N/A
Gross Revenue	\$ –	\$ –	\$ –	N/A	\$ –	\$ –	\$ –	N/A
Adj. to Gross Revenue	(50)	–	(50)	N/A	(50)	–	(50)	N/A
Net Revenue	(50)	–	(50)	N/A	(50)	–	(50)	N/A
Material	(1)	1	(2)	(137.6%)	747	520	227	43.7%
Labor	20	(91)	110	(121.8%)	(49)	(141)	91	(64.8%)
Other COGS	129	6	124	2157.0%	1,068	85	984	1161.3%
Total COGS	148	(83)	232	(278.1%)	1,766	464	1,302	280.5%
Gross Margin	(198)	83	(282)	(338.1%)	(1,816)	(464)	(1,352)	291.3%
Gross Margin %		N/A				N/A		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	205	281	(76)	(27.0%)	1,581	2,348	(766)	(32.6%)
Administrative	(564)	(462)	(102)	22.0%	(5,218)	(3,815)	(1,403)	36.8%
Other Opex	(11)	–	(11)	N/A	23	–	23	N/A
Total Opex	(369)	(181)	(188)	104.3%	(3,614)	(1,467)	(2,147)	146.4%
EBITDA	170	264	(93)	(35.4%)	1,798	1,003	795	79.3%
EBITDA %		N/A				N/A		
Net Income (Loss)	\$ 196	\$ (184)	\$ 380	(206.6%)	\$ (408)	\$ (4,032)	\$ 3,625	(89.9%)
Capex	\$ –	\$ (320)	\$ 320	(100.0%)	\$ –	\$ (1,566)	\$ 1,566	(100.0%)
Opex Overview:								
Payroll	\$ 400	\$ 415	\$ (15)	(3.7%)	\$ 2,706	\$ 3,323	\$ (617)	(18.6%)
Bonus	22	62	(40)	(64.8%)	(254)	493	(748)	(151.5%)
Commissions	11	25	(14)	(55.6%)	113	160	(46)	(29.0%)
Marketing	4	14	(9)	(68.7%)	62	224	(162)	(72.2%)
Benefits	–	–	–	N/A	(44)	–	(44)	N/A
Travel and entertainment	8	84	(76)	(90.5%)	169	683	(514)	(75.2%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	–	–	–	N/A	(4)	–	(4)	N/A
Professional fees	31	37	(6)	(15.3%)	249	293	(43)	(14.8%)
Office Expense	5	4	1	28.9%	34	30	4	13.7%
IT	(850)	(857)	7	(0.9%)	(6,901)	(6,844)	(57)	0.8%
Bad Debts	–	–	–	N/A	64	–	64	N/A
FX	(11)	–	(11)	N/A	67	–	67	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	11	37	(26)	(69.6%)	125	172	(47)	(27.2%)
Total Opex	\$ (369)	\$ (181)	\$ (188)	104.3%	\$ (3,614)	\$ (1,467)	\$ (2,147)	146.4%

Management Discussion

EBITDA – Aug-2020: (\$93K)

- **Material COGS:** Intercompany profit elimination slightly lower vs budget
- **Labor COGS:** higher by \$110K due to estimated savings as a result of lower plant wages included in the Corporate plan as well as reduction in bonus estimate
- **Other COGS:** higher by \$124k due to Freight Savings budgeted (\$93K), captured by plants and higher insurance accrual vs budget \$31k (includes July under-accrual of \$11k)
- **Sales & Marketing:** lower by \$76K largely due to lower wages by \$14k as a result of layoffs and wage reduction due to Covid 19, lower commissions \$14k and lower Travel by \$35k, lower advertising \$10k
- **Administrative:** lower by \$102k on account of lower bonus accrual by \$40k and lower travel by \$40k due to current pandemic and lower bank charges \$20k (timing of valuation services by Hilco).
- **Other Opex:** Decrease in cost by \$11k driven by FX gain on CAD/US Cash Transactions
- **Capex:** Expenditure on IT projects postponed

Full Year Corporate Office P&L Summary

\$'000	FY		Var		PY	Var	
	Fsct	Bud	\$	%	Act	\$	%
Units Produced ('000)	–	–	–	N/A	–	–	N/A
Units Shipped ('000)	–	–	–	N/A	–	–	N/A
Bookings (\$'000)	\$ –	\$ –	\$ –	N/A	\$ 50,018	\$ (50,018)	(100.0%)
Backlog ('\$000)	\$ –	\$ –	\$ –	N/A	\$ 3,634	\$ (3,634)	(100.0%)
Gross Revenue	\$ –	\$ –	\$ –	N/A	\$ –	\$ –	N/A
Adj. to Gross Revenue	(50)	–	(50)	N/A	0	(50)	(155726.8%)
Net Revenue	(50)	–	(50)	N/A	0	(50)	(155726.8%)
Material	253	0	253	84490.0%	70	183	261.5%
Labor	26	(510)	536	(105.2%)	559	(533)	(95.3%)
Other COGS	1,505	151	1,355	899.9%	1,191	314	26.4%
Total COGS	1,785	(359)	2,144	(597.2%)	1,820	(35)	(1.9%)
Gross Margin	(1,835)	359	(2,194)	(611.1%)	(1,820)	(15)	0.8%
Gross Margin %	3669.9%	N/A			#####		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	2,445	3,607	(1,162)	(32.2%)	3,685	(1,240)	(33.6%)
Administrative	(7,428)	(5,691)	(1,737)	30.5%	(5,591)	(1,837)	32.9%
Other Opex	23	–	23	N/A	35	(12)	(35.4%)
Total Opex	(4,961)	(2,085)	(2,876)	138.0%	(1,871)	(3,089)	165.1%
EBITDA	3,126	2,444	682	27.9%	51	3,074	6010.2%
EBITDA %	(6251.2%)	N/A			#####		
Net Income (Loss)	\$ (123)	\$ (3,989)	\$ 3,865	(96.9%)	\$ (4,138)	\$ 4,014	(97.0%)
Capex	\$ (100)	\$ (2,706)	\$ 2,606	(96.3%)	\$ (41)	\$ (59)	144.4%
Opex Overview:							
Payroll	\$ 4,155	\$ 5,053	\$ (899)	(17.8%)	\$ 5,128	\$ (974)	(19.0%)
Bonus	(170)	740	(910)	(123.0%)	616	(786)	(127.6%)
Commissions	153	241	(88)	(36.5%)	243	(90)	(37.0%)
Marketing	141	377	(236)	(62.6%)	535	(394)	(73.6%)
Benefits	(44)	–	(44)	N/A	–	(44)	N/A
Travel and entertainment	345	1,044	(699)	(66.9%)	969	(624)	(64.4%)
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	(4)	–	(4)	N/A	–	(4)	N/A
Professional fees	382	439	(57)	(13.0%)	462	(80)	(17.4%)
Office Expense	47	46	1	2.0%	44	3	7.5%
IT	(10,285)	(10,274)	(11)	0.1%	(10,310)	25	(0.2%)
Bad Debts	64	–	64	N/A	176	(113)	(63.9%)
FX	67	–	67	N/A	35	32	90.2%
JV Loss (Income)	–	–	–	N/A	–	–	N/A
Other Expenses	189	249	(60)	(24.0%)	230	(41)	(17.9%)
Total Opex	\$ (4,961)	\$ (2,085)	\$ (2,876)	138.0%	\$ (1,871)	\$ (3,089)	165.1%

Plant Capacity Utilization

ENERGI Everett Monthly Capacity Utilization

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
*based on current plant speed and product mix												
Good lbs Produced(L)(lbs	1,190,137	1,319,667	745,432	828,616	591,407	729,086	1,090,992	1,280,356	-	-	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	49%	55%	31%	34%	25%	30%	45%	53%	0%	0%	0%	0%

ENERGI Delmont Monthly Capacity Utilization

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
*based on current plant speed and product mix												
Good lbs Produced(L)(lbs	1,758,218	1,814,266	1,881,073	1,349,654	1,248,173	1,747,067	1,708,118	2,034,016	-	-	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	56%	57%	59%	43%	39%	55%	54%	64%	0%	0%	0%	0%

ENERGI Woodbridge Monthly Capacity Utilization

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
*based on current plant speed and product mix												
Good lbs Produced(L)(lbs	2,700,166	2,208,783	2,720,000	498,912	1,288,032	2,581,242	3,350,174	3,399,542	-	-	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	52%	43%	53%	10%	25%	50%	65%	66%	0%	0%	0%	0%

ENERGI Laval Capacity Utilization

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
*based on current plant speed and product mix												
Good lbs Produced(L)(lbs	1,248,042	1,565,564	1,315,181	146,906	939,881	1,667,509	1,378,736	2,078,481	-	-	-	-
Monthly capacity utilization(L/K)%	34%	42%	35%	4%	25%	45%	37%	56%	0%	0%	0%	0%

ECS Capacity utilization

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Total available capacity lbs/month (A)*	19,841,580											
Actual Good Lbs produced(B)	8,180,256	7,666,521	8,184,772	1,956,432	4,103,963	8,315,946	9,593,538	9,292,519	-	-	-	-
Monthly Capacity utilization %(B/A)%	41%	39%	41%	10%	21%	42%	48%	47%	0%	0%	0%	0%

Terrebonne Capacity Utilization

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Available Shift Capacity(based on Two 10Hr shifts)(\$)(000)	\$6,000											
Actual Finished Production Value (000)(\$CAD)	\$ 1,448	\$ 1,719	\$ 1,910	\$ 1,037	\$ 2,015	\$ 2,391	\$ 2,653	\$ 2,959	\$ -	\$ -	\$ -	\$ -
Capacity utilization based on NO seasonal adjustment and two 10hr shifts	24%	29%	32%	17%	34%	40%	44%	49%	0%	0%	0%	0%