



2020 Monthly Operating Review – July 2020

August 19th, 2020



Executive Summary

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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 \$307K and 2% for the Month due to higher demand from both Canadian and US customers at Woodbridge and Delmont attributable to improved market conditions and inventory replenishment at customers. Terrebonne sales were behind Plan as a result of lower production output, labor issues (high turnover rate, increased use of temporary workers, scheduling overtime to increase output) and the 2-week shutdown of Quebec customers during the summer construction break period. 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 \$561K. EBITDA supported by higher sales volumes, favorable material PPV (resin, impact modifier and stabilizer), a reduction in labor costs, lower OPEX spending and the benefit from the Canada Emergency Wage Subsidy in the amount of \$854K. These favorable impacts to EBITDA were partially offset by lower regrind usage and higher scrap at Woodbridge and Everett, an unfavorable absorption impact as a result of reduced production levels and selling more out of inventory, lower tool & die overhead recoveries and a warranty accrual for field related issues
- 3. Vs Prior Year:** Overall sales revenues and volumes were ahead of Prior Year by \$734K and 5% for the Month due to higher demand from both Canadian and US customers at Woodbridge and Delmont attributable to improved market conditions as COVID-19 restrictions start easing up. Sales were behind Prior Year at Terrebonne as a result of lower production output, labor issues and the 2-week shutdown of Quebec customers during the summer construction break period. 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 \$1,306K impacted by higher sales volumes, favorable material PPV (resin), lower labor costs, lower OPEX spending and the benefit from the Canada Emergency Wage Subsidy in the amount of \$854K. EBITDA was unfavorably impacted by an unfavorable absorption impact due to reduced production levels and a warranty accrual for field related issues
- 4. TTM:** 2020 July TTM Revenue of \$152.4M and EBITDA of \$10.7M (\$8.7M 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 August is currently ahead of Prior Year on a Month to Date basis by 31.6%. Extrusion sales orders are ahead of prior year orders by 29.0% while Patio Door sales orders are ahead by 49.1%. Woodbridge, Laval and Everett have seen strong order intake in August with their Month to Date orders ahead of Prior Year levels by 74%, 52% and 14%, respectively. Delmont sales orders are currently behind Prior Year levels by 6%. Currently, August sales are tracking in line with Reforecast
6. **Backorders & Inventory Levels:** Backorders have increased since May due to the surge in sales orders at all extrusion plants and Terrebonne. Production volume is currently tracking ahead of Reforecast and is continuing to ramp up to meet increased customer demand. Plants are challenged with finding available labor due to COVID concerns and retention of labor. Focus for H2 2020 is to build what we sell, but with the reduction of inventory throughout H1 2020, there will be a need to build inventory by y/e
7. **Material/Supplier Pricing:** The July CDI Resin Index was increased by 2cpp, which was lower than the expected 3cpp that the producers were asking. The producers are trying for an additional 4cpp increase in the August Resin Index and 3cpp in September due increased domestic demand, increases in export pricing (demand increasing from China and India) and tight inventory supply
8. **Bank Covenants:** Excess Availability covenant for July-20 ahead of target @81% with Fixed Cost Coverage Ratio (FCCR) above the target @ 1.6:1. Continue to closely monitor daily cash flows and H2 2020 cash flow forecasts and impacts on Excess Availability and FCCR covenants and moderate spending accordingly. Cash conservation management in effect as a result of recent global events concerning COVID-19
9. **COVID-19 Pandemic:** Management team is focusing on cash collection efforts, communicating with customers concerning past due balances and forecasting the sales outlook. Plant calls being conducted daily to discuss production schedules, labor planning and any customer or supply issues. Daily cash flow reviews conducted to review and approve outflows. Approved for government sponsored relief programs (ie. Canada Emergency Wage Subsidy, work sharing programs). Investigated operating loan liquidity through BDC in Canada, but restrictions exist for small loan amount -- will continue to keep it as an option

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"> Maintain stability of leadership team – hired Production Manager Focus on process flow improvements for production efficiency & labor 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 – July 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:

- 2020 TRIR of 1.27 vs 2019 TRIR of 2.32; Total Recordable Cases – 3 for 2020 vs 16 for 2019 FY & 14 for 2018 FY
- Milestones achieved: 44 months incident free record at ECS and 14 months incident free record at Woodbridge
- TRIR and recordable cases adjusted down by one - the injury reported by Laval in May 2020 has been removed from the TRIR due to further medical examination revealing that the worker had a pre-existing personal injury at the time of the incident

Quality:

- Everett– Complaints from CDA (Capstock), Small issues across parts

Delivery:

- Deliveries impacted by Covid 19 due to increased demand, reduced production levels causing longer lead times and higher backorders

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, high cap runs and increased activities.
- 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

ENERGI Fenestration Solutions - 2020 Monthly Metrics

KPI Measure		2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	YTD 2020
Health & Safety										
# Recordables (affects TRIR)	# in Month	0	1	0	0	1	1	0	0	3
Woodbridge		0	0	0	0	0	0	0	0	0
Laval		0	1	0	0	0	0	0	0	1
Terrebonne		0	0	0	0	1	1	0	0	2
Delmont		0	0	0	0	0	0	0	0	0
Everett		0	0	0	0	0	0	0	0	0
ECS		0	0	0	0	0	0	0	0	0
Quality Performance										
Returns as % of sales	# of Plants Green	6	3	5	4	4	4	3	4	4
Woodbridge		0.41%	0.38%	0.72%	0.42%	0.62%	0.67%	0.27%	0.22%	0.42%
Laval		0.72%	1.24%	0.40%	0.82%	0.00%	0.63%	0.46%	0.27%	0.56%
Terrebonne		0.55%	1.04%	0.41%	0.37%	0.10%	0.50%	0.67%	0.57%	0.54%
Delmont		0.30%	0.03%	0.21%	0.14%	0.03%	0.17%	0.32%	0.00%	0.13%
Everett		0.44%	0.68%	0.29%	0.37%	1.99%	1.28%	0.93%	0.66%	0.82%
ECS		0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Delivery Performance										
% by line items	# of Plants Green	6	5	5	4	2	3	1	0	1
Woodbridge		98.1%	98.9%	99.3%	98.3%	93.6%	87.1%	72.1%	84.5%	90.5%
Laval		99.0%	99.9%	99.8%	98.4%	84.7%	87.3%	82.1%	85.4%	91.1%
Terrebonne		95.0%	99.4%	93.8%	83.7%	37.7%	82.5%	68.2%	57.1%	74.6%
Delmont		99.6%	98.8%	99.6%	99.6%	99.8%	99.7%	98.9%	97.9%	99.2%
Everett		99.2%	100.0%	99.5%	99.9%	100.0%	100.0%	99.9%	97.8%	99.6%
ECS		100.0%	100.0%	100.0%	100.0%	79.0%	100.0%	99.6%	99.6%	96.9%
% on time in full										
	# of Plants Green	6	5	4	5	2	3	1	1	1
Woodbridge		98.1%	98.9%	99.3%	98.3%	93.6%	87.1%	72.1%	100.0%	92.8%
Laval		95.0%	99.9%	99.8%	98.4%	84.7%	87.3%	82.1%	85.4%	91.1%
Terrebonne		95.0%	99.4%	93.8%	83.7%	37.7%	82.5%	68.2%	57.1%	74.6%
Delmont		99.3%	97.9%	98.8%	99.4%	99.6%	99.6%	98.5%	97.8%	98.8%
Everett		99.2%	100.0%	99.5%	99.9%	100.0%	100.0%	99.9%	97.8%	99.6%
ECS		100.0%	100.0%	100.0%	100.0%	79.0%	100.0%	99.6%	99.6%	96.9%
Costs										
Yield*	# of Plants Green	5	3	2	2	3	3	3	1	2
Woodbridge		88.0%	85.6%	85.4%	86.9%	84.1%	86.1%	87.2%	86.7%	86.3%
Laval		87.9%	89.0%	89.8%	89.5%	93.0%	89.2%	90.0%	89.4%	89.6%
Delmont		84.3%	86.1%	82.6%	84.1%	86.4%	84.9%	83.0%	83.5%	84.2%
Everett		87.4%	89.6%	89.2%	89.4%	86.0%	88.2%	88.6%	87.0%	88.3%
ECS		99.6%	99.5%	99.4%	99.5%	99.7%	99.5%	99.6%	99.4%	99.5%

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	YTD 2020
Costs										
Alt. Compound Consumption Ratio*		5	4	1	1	1	3	1	1	2
Woodbridge		20.0%	20.0%	16.0%	22.1%	12.5%	17.8%	12.3%	13.3%	16.6%
Laval		15.2%	21.5%	21.0%	14.4%	30.2%	18.0%	16.3%	23.7%	19.3%
Delmont		23.3%	20.3%	16.7%	18.3%	19.2%	26.4%	17.5%	16.5%	18.9%
Everett		20.0%	24.0%	13.2%	15.1%	14.3%	41.3%	18.5%	14.4%	18.9%
ECS		0.4%	0.5%	0.3%	0.3%	0.0%	0.3%	0.2%	0.2%	0.4%
Inventory										
Days - TTM*	# of Plants Green	5	4	4	4	4	4	4	4	
Woodbridge		77.8	69.6	69.1	68.2	68.7	70.5	67.5	64.1	
Laval		67.3	71.5	70.9	70.0	72.5	73.3	70.3	69.7	
Terrebonne		68.4	63.7	64.0	63.9	66.5	67.5	67.9	68.1	
Delmont		63.3	70.1	69.4	69.5	68.2	68.8	66.6	64.3	
Everett		104.3	92.2	91.6	88.4	89.4	90.5	85.3	82.4	
ECS		41.1	38.6	36.7	36.0	37.7	38.6	37.9	37.0	
Customer Service										
Customer Experience - NPS Improvement		20%	NA	NA	NA	NA	NA	NA	NA	NA
Customer Complaints - per MLBS ***										
	# of Plants Green	6	4	5	4	4	4	5	5	4
Woodbridge		3.2	4.0	5.4	3.8	3.9	9.4	3.4	7.8	5.4
Laval		17.7	16.8	11.5	18.2	68.1	20.2	12.0	5.8	21.8
Terrebonne		2.8	3.9	2.2	1.3	0.5	0.9	2.5	2.1	1.9
Delmont		2.9	1.1	2.8	2.7	0.7	2.4	2.3	1.2	1.9
Everett		10.0	3.9	6.0	4.8	7.0	0.0	4.1	3.0	4.1
ECS		0.3	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.1
Customer Retention		100%	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%
Employee Retention		90%	99.4%	99.1%	99.8%	99.4%	99.5%	98.9%	99.2%	99.3%

Consolidated Summary P&L – July 2020

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	8,565	8,670	(105)	(1.2%)	48,191	59,478	(11,287)	(19.0%)
Units Shipped ('000)	9,550	9,223	327	3.5%	52,877	57,627	(4,750)	(8.2%)
Bookings (\$'000)	\$ 17,726	\$ 16,267	\$ 1,459	9.0%	\$ 93,898	\$ 99,468	\$ (5,570)	(5.6%)
Backlog (\$'000)	\$ 16,140	\$ 9,541	\$ 6,599	69.2%	\$ 16,140	\$ 9,541	\$ 6,599	69.2%
Gross Revenue	\$ 16,192	\$ 15,906	\$ 286	1.8%	\$ 88,361	\$ 98,284	\$ (9,924)	(10.1%)
Adj. to Gross Revenue	(790)	(811)	22	(2.7%)	(4,190)	(4,897)	707	(14.4%)
Net Revenue	15,402	15,095	307	2.0%	84,170	93,387	(9,217)	(9.9%)
Material	7,990	7,434	556	7.5%	42,046	45,976	(3,931)	(8.5%)
Labor	2,803	2,957	(154)	(5.2%)	16,709	20,890	(4,181)	(20.0%)
Other COGS	2,438	1,787	651	36.4%	12,397	9,666	2,731	28.3%
Total COGS	13,231	12,179	1,052	8.6%	71,152	76,533	(5,381)	(7.0%)
Gross Margin	2,171	2,916	(745)	(25.6%)	13,018	16,855	(3,837)	(22.8%)
Gross Margin %	14.1%	19.3%			15.5%	18.0%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	378	551	(173)	(31.4%)	2,686	3,753	(1,067)	(28.4%)
Administrative	741	943	(201)	(21.3%)	5,128	6,401	(1,274)	(19.9%)
Other Opex	(941)	(8)	(933)	11009.0%	(941)	(60)	(881)	1472.0%
Total Opex	179	1,485	(1,307)	(88.0%)	6,873	10,094	(3,222)	(31.9%)
EBITDA	1,992	1,431	561	39.2%	6,145	6,760	(615)	(9.1%)
EBITDA %	12.9%	9.5%			7.3%	7.2%		
Net Income (Loss)	\$ 1,334	\$ 184	\$ 1,150	626.5%	\$ (2,348)	\$ (3,024)	\$ 676	(22.4%)
Capex	\$ (175)	\$ (556)	\$ 381	(68.5%)	\$ (1,449)	\$ (4,527)	\$ 3,078	(68.0%)
Opex Overview:								
Payroll	\$ 744	\$ 897	\$ (153)	(17.1%)	\$ 4,717	\$ 5,902	\$ (1,184)	(20.1%)
Bonus	22	62	(40)	(65.1%)	264	432	(168)	(38.9%)
Commissions	15	24	(9)	(36.8%)	147	153	(6)	(3.7%)
Marketing	74	82	(7)	(9.1%)	478	633	(155)	(24.5%)
Benefits	(854)	–	(854)	N/A	(854)	–	(854)	N/A
Travel and entertainment	11	92	(80)	(87.5%)	202	653	(451)	(69.0%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	28	29	(2)	(5.2%)	154	203	(49)	(24.3%)
Professional fees	37	48	(11)	(22.7%)	353	352	0	0.1%
Office Expenses	16	22	(6)	(26.9%)	124	148	(24)	(16.4%)
IT	136	156	(20)	(13.0%)	922	1,104	(182)	(16.5%)
Bad Debts	(0)	(0)	0	(6.7%)	61	(2)	63	(2994.6%)
FX	(60)	–	(60)	N/A	36	–	36	N/A
JV Loss (Income)	(27)	(8)	(19)	221.5%	(122)	(60)	(63)	104.5%
Other Expenses	38	83	(46)	(54.8%)	392	577	(184)	(31.9%)
Total Opex	\$ 179	\$ 1,485	\$ (1,307)	(88.0%)	\$ 6,873	\$ 10,094	\$ (3,222)	(31.9%)

Management Discussion

Net Revenue – MTD +\$307K:

- Extrusion external sales volume ahead of Budget by \$621K and 4.9% with higher volumes in Woodbridge and Delmont, 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 \$202K driven by lower production output, labor issues and the shutdown of Quebec customers for the construction break. External compound sales were behind Budget by \$80K due to lower orders from window extrusion customers partially offset by new customers & products
- Favorable price/customer mix driven by favorable customer mix at Woodbridge
- Lower returns impact of \$31K partially offset by higher rebates impact of \$17K due to volume & mix
- Unfavorable F/X impact of approx. \$143K (actual rate of 1.3499 [or \$USD 0.7408] vs. Budget rate of 1.33 [or \$USD 0.7519])

EBITDA – MTD +\$561K:

- Material COGS:** Increased costs primarily driven by increased sales volumes/mix impact of \$763K, higher scrap of \$225K driven by lower regrind usage and lower yields at Woodbridge & Everett; partially offset by lower scrap at ECS of \$84K, a favorable material price impact of \$325K (resin, impact modifier, stabilizer) and lower inventory reserves of \$23K
- Labor COGS:** Decrease in labor costs driven by lower production volumes and 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:** Increase of \$651K comprised of: an unfavorable absorption impact of \$328K as a result of selling more out of inventory than Plan and lower production, higher warranty costs of \$244K due to yellowing issues in the field, lower tool & die o/h recovery of \$160K and slightly higher freight costs of \$6K; partially offset by lower utilities of \$40K as a result of reduced production levels and lower manufacturing o/h costs of \$47K (ie. Maintenance)
- Sales and Marketing:** Lower payroll costs due to lower headcount (Covid-19 layoffs) impact of \$73K, lower product development costs of \$35K due to volume & timing and lower T&E costs of \$42K
- Administrative:** Lower payroll costs impact of \$80K due to COVID-19 reductions (layoffs, furloughs, reductions), lower bonus accrual and lower spending due to cost containment initiatives
- Other Opex:** Benefit from the Canada Emergency Wage Subsidy of \$854K, favorable realized F/X re-valuation impact due to F/X revaluation of working capital balances (change in F/X from 1.3655 on June 30th to 1.3418 on July 31st) and higher JV equity income due to increased volumes

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

\$'000

	MTD		Var		YTD		Var	
	Act	PY-Act	\$	%	Act	PY-Act	\$	%
Units Produced ('000)	8,565	8,339	226	2.7%	48,191	57,008	(8,817)	(15.5%)
Units Shipped ('000)	9,550	9,001	549	6.1%	52,877	55,350	(2,473)	(4.5%)
Bookings (\$'000)	\$ 17,726	\$ 15,207	\$ 2,519	16.6%	\$ 93,898	\$ 94,795	\$ (897)	(0.9%)
Backlog (\$'000)	\$ 16,140	\$ 11,147	\$ 4,994	44.8%	\$ 16,140	\$ 11,147	\$ 4,994	44.8%
Gross Revenue	\$ 16,192	\$ 15,452	\$ 739	4.8%	\$ 88,361	\$ 94,575	\$ (6,215)	(6.6%)
Adj. to Gross Revenue	(790)	(784)	(6)	0.7%	(4,190)	(4,574)	384	(8.4%)
Net Revenue	15,402	14,669	734	5.0%	84,170	90,001	(5,831)	(6.5%)
Material	7,990	7,195	795	11.1%	42,046	43,815	(1,769)	(4.0%)
Labor	2,803	3,242	(440)	(13.6%)	16,709	20,973	(4,264)	(20.3%)
Other COGS	2,438	2,014	424	21.1%	12,397	10,210	2,187	21.4%
Total COGS	13,231	12,451	780	6.3%	71,152	74,998	(3,846)	(5.1%)
Gross Margin	2,171	2,217	(46)	(2.1%)	13,018	15,003	(1,985)	(13.2%)
Gross Margin %	14.1%	15.1%			15.5%	16.7%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	378	504	(125)	(24.9%)	2,686	3,860	(1,174)	(30.4%)
Administrative	741	1,026	(284)	(27.7%)	5,128	6,830	(1,702)	(24.9%)
Other Opex	(941)	1	(942)	(65411.2%)	(941)	(267)	(674)	252.8%
Total Opex	179	1,531	(1,352)	(88.3%)	6,873	10,423	(3,550)	(34.1%)
EBITDA	1,992	687	1,306	190.2%	6,145	4,580	1,566	34.2%
EBITDA %	12.9%	4.7%			7.3%	5.1%		
Net Income (Loss)	\$ 1,334	\$ (528)	\$ 1,862	(352.4%)	\$ (2,348)	\$ (2,524)	\$ 176	(7.0%)
Capex	\$ (175)	\$ (761)	\$ 586	(77.0%)	\$ (1,449)	\$ (4,113)	\$ 2,664	(64.8%)
Opex Overview:								
Payroll	\$ 744	\$ 868	\$ (125)	(14.4%)	\$ 4,717	\$ 5,951	\$ (1,233)	(20.7%)
Bonus	22	113	(91)	(80.9%)	264	785	(521)	(66.4%)
Commissions	15	22	(6)	(28.8%)	147	135	12	8.7%
Marketing	74	100	(25)	(25.5%)	478	779	(301)	(38.7%)
Benefits	(854)	–	(854)	N/A	(854)	–	(854)	N/A
Travel and entertainment	11	99	(87)	(88.4%)	202	652	(450)	(69.0%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	28	28	0	0.1%	154	181	(27)	(14.8%)
Professional fees	37	45	(8)	(18.1%)	353	336	16	4.9%
Office Expenses	16	20	(4)	(18.4%)	124	154	(30)	(19.8%)
IT	136	162	(27)	(16.4%)	922	1,094	(173)	(15.8%)
Bad Debts	(0)	(0)	(0)	23.2%	61	97	(36)	(37.3%)
FX	(60)	5	(65)	(1288.0%)	36	(162)	197	(122.0%)
JV Loss (Income)	(27)	(4)	(24)	657.5%	(122)	(105)	(18)	16.8%
Other Expenses	38	74	(36)	(49.2%)	392	525	(132)	(25.2%)
Total Opex	\$ 179	\$ 1,531	\$ (1,352)	(88.3%)	\$ 6,873	\$ 10,423	\$ (3,550)	(34.1%)

Management Discussion

Net Revenue – MTD +\$734K:

- Extrusion external sales volume ahead of Prior Year by \$763K and 6.1% with higher volumes in Woodbridge and Delmont, partially offset by lower volumes at Laval (due to construction shutdown) and Everett due to lower production output and inventory levels
- Patio Door gross sales were slightly ahead of Prior Year driven by new business from Atis. External compound sales were in line with Prior Year as increased sales from new customers & products offset the lower orders from window extrusion customers
- Favorable price/customer mix impact of \$355K driven by favorable customer mix at Woodbridge, Laval, Everett and Terrebonne
- Higher rebates impact of \$39K due to volume/mix partially offset by lower returns of \$17K
- Unfavorable F/X impact of approx. \$290K (actual rate of 1.3499 [or \$USD 0.7408] vs. Prior Year rate of 1.3101 [or \$USD 0.7633])

EBITDA – MTD +\$1,306K:

- Material COGS:** Increased costs primarily driven by increased sales volumes/mix impact of \$1,081K and slightly higher scrap than Prior Year of \$9K; partially offset by a favorable material price impact of approx. \$233K (resin, impact modifier and stabilizers) and lower inventory reserves of \$62K as a result of reduced inventory levels and higher reserves in PY
- Labor COGS:** Decrease in labor costs driven by lower production volumes and 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 \$83K
- Other COGS:** Increase of \$424K comprised of: an unfavorable absorption impact of \$147K as a result of selling more out of inventory than Plan and lower production, higher warranty costs of \$244K due to yellowing issues in the field and lower tool & die o/h recovery of \$206K; partially offset by lower freight costs of \$31K as a result of freight savings and customer mix and lower manufacturing o/h costs of \$142K (ie. Utilities, maintenance)
- Sales and Marketing:** Lower payroll costs due to lower headcount (Covid-19 layoffs), lower product development costs due to volume & timing, lower T&E costs 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:** Benefit from the Canada Emergency Wage Subsidy of \$854K, 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) – July 2020

\$'000	MTD		Var		YTD		Var	
	Act	Fsct	\$	%	Act	Fsct	\$	%
Units Produced ('000)	8,565	8,258	307	3.7%	48,191	47,884	307	0.6%
Units Shipped ('000)	9,550	9,250	301	3.2%	52,877	52,577	301	0.6%
Bookings (\$'000)	\$ 17,726	\$ 13,509	\$ 4,217	31.2%	\$ 93,898	\$ 89,681	\$ 4,217	4.7%
Backlog ('\$000)	\$ 16,140	\$ 11,047	\$ 5,094	46.1%	\$ 16,140	\$ 11,047	\$ 5,094	46.1%
Gross Revenue	\$ 16,192	\$ 15,461	\$ 731	4.7%	\$ 88,361	\$ 87,629	\$ 731	0.8%
Adj. to Gross Revenue	(790)	(764)	(25)	3.3%	(4,190)	(4,165)	(25)	0.6%
Net Revenue	15,402	14,696	706	4.8%	84,170	83,464	706	0.8%
Material	7,990	7,340	650	8.9%	42,046	41,396	650	1.6%
Labor	2,803	2,774	29	1.0%	16,709	16,680	29	0.2%
Other COGS	2,438	2,107	331	15.7%	12,397	12,066	331	2.7%
Total COGS	13,231	12,221	1,010	8.3%	71,152	70,142	1,010	1.4%
Gross Margin	2,171	2,476	(304)	(12.3%)	13,018	13,323	(304)	(2.3%)
Gross Margin %	14.1%	16.8%			15.5%	16.0%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	378	431	(52)	(12.1%)	2,686	2,738	(52)	(1.9%)
Administrative	741	754	(13)	(1.7%)	5,128	5,140	(13)	(0.2%)
Other Opex	(941)	(34)	(907)	2644.5%	(941)	(34)	(907)	2665.8%
Total Opex	179	1,151	(972)	(84.5%)	6,873	7,844	(972)	(12.4%)
EBITDA	1,992	1,325	667	50.4%	6,145	5,478	667	12.2%
EBITDA %	12.9%	9.0%			7.3%	6.6%		
Net Income (Loss)	\$ 1,334	\$ 187	\$ 1,147	612.9%	\$ (2,348)	\$ (3,494)	\$ 1,147	(32.8%)
Capex	\$ (175)	\$ (341)	\$ 166	(48.7%)	\$ (1,449)	\$ (1,615)	\$ 166	(10.3%)
Opex Overview:								
Payroll	\$ 744	\$ 749	\$ (6)	(0.8%)	\$ 4,717	\$ 4,723	\$ (6)	(0.1%)
Bonus	22	21	0	1.1%	264	263	0	0.1%
Commissions	15	13	2	18.9%	147	145	2	1.7%
Marketing	74	93	(19)	(20.4%)	478	497	(19)	(3.8%)
Benefits	(854)	–	(854)	N/A	(854)	–	(854)	N/A
Travel and entertainment	11	47	(36)	(75.9%)	202	238	(36)	(15.1%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	28	28	0	0.8%	154	154	0	0.2%
Professional fees	37	38	(1)	(2.9%)	353	354	(1)	(0.3%)
Office Expenses	16	13	3	23.6%	124	120	3	2.6%
IT	136	139	(3)	(2.4%)	922	925	(3)	(0.4%)
Bad Debts	(0)	(0)	(0)	3.1%	61	61	(0)	(0.0%)
FX	(60)	–	(60)	N/A	36	95	(60)	(62.7%)
JV Loss (Income)	(27)	(34)	7	(20.6%)	(122)	(129)	7	(5.4%)
Other Expenses	38	43	(6)	(13.0%)	392	398	(6)	(1.4%)
Total Opex	\$ 179	\$ 1,151	\$ (972)	(84.5%)	\$ 6,873	\$ 7,844	\$ (972)	(12.4%)

Management Discussion

Net Revenue – MTD +\$706K:

- Extrusion external sales volume ahead of Reforecast with higher volumes in Woodbridge and Everett as a result of increased output activity during the last 2 weeks of the month
- Patio Door gross sales were slightly ahead of Reforecast driven by increased output activity during the last two weeks of the month and continuing to ship to non-Quebec customers during the Quebec construction shutdown period
- External compound sales were ahead of Reforecast due to increased sales from Delcan and Nuform
- Higher rebates impact of \$42K due to volume/mix partially offset by lower returns of \$16K
- Favorable F/X impact of approx. \$150K (actual rate of 1.3499 [or \$USD 0.7408] vs. Reforecast rate of 1.37 [or \$USD 0.7299])

EBITDA – MTD +\$667K:

- Material COGS:** Increased costs primarily driven by increased sales volumes/mix impact of \$712K and slightly higher scrap than Rfc of \$33K; partially offset by lower inventory reserves of \$95K as a result of reduced inventory levels
- Labor COGS:** Labor costs in line with Rfc despite slightly higher production levels
- Other COGS:** Increase of \$331K comprised of: higher freight costs of \$41K as a result of higher volumes and customer mix, higher warranty costs of \$244K due to yellowing issues in the field, lower tool & die o/h recovery of \$26K and higher manufacturing o/h costs of \$20K (ie. Factory supplies, COVID safety supplies)
- Sales and Marketing:** Lower product development costs due to lower launch volume & timing and lower T&E and marketing costs due to cost containment initiatives
- Administrative:** Lower spending due to cost containment initiatives
- Other Opex:** Benefit from the Canada Emergency Wage Subsidy of \$854K and favorable realized F/X re-valuation impact due to F/X revaluation of working capital balances (change in F/X from 1.3655 on June 30th to 1.3418 on July 31st)

July 2020 Net Sales Bridge

(In Thousands of US Dollars)

	<u>Woodbridge</u>	<u>Laval</u>	<u>Delmont</u>	<u>Everett</u>	<u>ECS</u>	<u>Terrebonne</u>	<u>Group Office</u>	<u>Adj.</u>	<u>Total</u>
Net Sales Budget, as reported (A)	\$ 4,115	\$ 2,479	\$ 3,441	\$ 2,501	\$ 6,165	\$ 2,131	\$ -	\$ (5,736)	\$ 15,095
Volume impact (external sales)	738	(108)	360	(369)	(80)	(202)	-	-	338
Volume impact (intercompany sales)	(82)	71	-	-	387	-	-	(376)	-
Rebates & discounts	(21)	20	(13)	7	(1)	(9)	-	-	(17)
Price / Mix impact	206	12	(32)	(17)	(32)	(40)	-	-	98
Returns & allowances	23	(2)	11	(3)	-	1	-	-	31
Other - F/X	(70)	(34)	(0)	0	(12)	(28)	-	0	(143)
Actual Net Sales (B)	\$ 4,908	\$ 2,440	\$ 3,767	\$ 2,119	\$ 6,427	\$ 1,853	\$ -	\$ (6,112)	\$ 15,402
Actual vs Budget, as reported Variance (B) - (A)	\$ 794	\$ (39)	\$ 326	\$ (382)	\$ 262	\$ (278)	\$ -	\$ (376)	\$ 307
Actual vs Prior Year, as reported Variance	\$ 712	\$ (143)	\$ 255	\$ (97)	\$ 197	\$ (24)	\$ -	\$ (168)	\$ 734
Actual YTD vs Budget YTD, as reported Variance	\$ (866)	\$ (2,906)	\$ (1,180)	\$ (2,211)	\$ (6,320)	\$ (2,740)	\$ -	\$ 7,006	\$ (9,217)
Actual YTD vs Prior Year YTD, as reported Variance	\$ (1,272)	\$ (2,372)	\$ (250)	\$ (1,656)	\$ (7,127)	\$ (1,169)	\$ -	\$ 8,015	\$ (5,831)

July 2020 EBITDA Bridge

(In Thousands of US Dollars)

	Woodbridge	Laval	Delmont	Everett	ECS	Terrebonne	Group Office	Adj.	Total
EBITDA Budget, as reported (A)	\$ 67	\$ 318	\$ 558	\$ 166	\$ 5	\$ 59	\$ 258	\$ -	\$ 1,431
Volume & Mix impact	214	(270)	236	(53)	75	(138)	(497)	-	(433)
Labor - DL/IDL FAV/(UNF)	107	28	70	25	31	(18)	(149)	-	93
Alt. Materials FAV/(UNF)	(199)	31	23	(80)	-	-	-	-	(225)
Other Materials - FAV/(UNF)	8	26	13	41	381	(41)	-	-	428
Absorption impact FAV/(UNF)	(66)	79	(277)	(78)	24	(10)	-	-	(328)
Overhead Spending FAV/(UNF)	(97)	(7)	27	(28)	49	3	(19)	-	(72)
Warranty (specific accrual)	-	-	-	-	-	-	(244)	-	(244)
Bonus accrual	-	-	-	-	-	-	76	-	76
Other	303	298	7	(4)	232	217	212	(0)	1,265
Actual EBITDA (B)	\$ 338	\$ 503	\$ 657	\$ (11)	\$ 797	\$ 72	\$ (363)	\$ (0)	\$ 1,992
Actual vs Budget, as reported Variance (B) - (A)	\$ 270	\$ 185	\$ 99	\$ (177)	\$ 792	\$ 13	\$ (621)	\$ (0)	\$ 561
Actual vs Prior Year, as reported Variance	\$ 378	\$ 165	\$ 94	\$ 140	\$ 638	\$ 185	\$ (295)	\$ (0)	\$ 1,306
Actual YTD vs Budget YTD, as reported Variance	\$ (304)	\$ (164)	\$ 235	\$ (1,487)	\$ 1,846	\$ (478)	\$ 889	\$ (1,152)	\$ (615)
Actual YTD vs Prior Year YTD, as reported Variance	\$ (424)	\$ (11)	\$ 404	\$ (592)	\$ 447	\$ 169	\$ 2,861	\$ (1,288)	\$ 1,566
Canada Emergency Wage Subsidy									
MTD Impact	\$ 285	\$ 247	\$ -	\$ -	\$ 82	\$ 195	\$ 44	\$ -	\$ 854
YTD Impact	\$ 733	\$ 500	\$ -	\$ -	\$ 177	\$ 458	\$ 121	\$ -	\$ 1,990

Strategic Plan Update – Summary of Alternative Materials Initiative

(In Thousands of US Dollars)

	Jul-20			YTD			Comments
	Actual	Budget	Variance FAV/(UNF)	Actual	Budget	Variance FAV/(UNF)	
Woodbridge - Scrap Variance ⁽¹⁾	\$ (114)	\$ (12)	\$ (102)	\$ (414)	\$ (167)	\$ (247)	JV production scrap higher run rate (pit marks & surface issues)
Woodbridge - Alt Materials Usage ⁽²⁾	\$ 24	\$ 121	\$ (97)	\$ 405	\$ 779	\$ (374)	Reduced mixed regrind usage due to production mix
Woodbridge - Total	\$ (90)	\$ 109	\$ (199)	\$ (9)	\$ 612	\$ (621)	
Laval - Scrap Variance ⁽¹⁾	\$ 7	\$ -	\$ 7	\$ 62	\$ -	\$ 62	Improved yield and scrap rates due to mix and less tooling
Laval - Alt Materials Usage ⁽²⁾	\$ 61	\$ 36	\$ 25	\$ 298	\$ 325	\$ (27)	Higher regrind usage due to volumes and production mix
Laval - Total	\$ 68	\$ 36	\$ 31	\$ 359	\$ 325	\$ 35	
Delmont - Scrap Variance ⁽¹⁾	\$ 103	\$ 50	\$ 53	\$ 471	\$ 304	\$ 168	Improved yield and scrap rates due to mix and less tooling
Delmont - Alt Materials Usage ⁽²⁾	\$ 56	\$ 86	\$ (30)	\$ 474	\$ 599	\$ (126)	Lower regrind usage due to lower bowling and resources
Delmont - Total	\$ 159	\$ 136	\$ 23	\$ 945	\$ 903	\$ 42	
Everett - Scrap Variance ⁽¹⁾	\$ (2)	\$ 46	\$ (48)	\$ (43)	\$ 309	\$ (352)	Higher scrap due to increased capstock trials and testing
Everett - Alt Materials Usage ⁽²⁾	\$ 20	\$ 52	\$ (32)	\$ 194	\$ 353	\$ (159)	Lower regrind usage due to reduced volumes
Everett - Total	\$ 18	\$ 98	\$ (80)	\$ 151	\$ 662	\$ (511)	
Total Scrap Variance ⁽¹⁾	\$ (6)	\$ 84	\$ (90)	\$ 76	\$ 446	\$ (370)	
Total Alt Materials Usage ⁽²⁾	\$ 161	\$ 295	\$ (135)	\$ 1,370	\$ 2,056	\$ (686)	
Grand Total	\$ 155	\$ 379	\$ (225)	\$ 1,446	\$ 2,502	\$ (1,055)	

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 HCR Initiative

(In Thousands of US Dollars)

	Q1-20	Q2-20	Jul-20	YTD
Budget Production Volume (Lbs)	23,879	26,929	8,670	59,478
Actual Production Volume (Lbs)	23,571	16,055	8,565	48,191
Increased/(Decreased) Production - %	-1.3%	-40.4%	-1.2%	-19.0%
<u>Direct Labor:</u>				
Budget Direct Labor	\$ 4,202	\$ 4,639	\$ 1,471	10,312
Deduct: Budget Direct Labor - Terrebonne	675	853	314	1,841
Budget Direct Labor - Extrusion & Compounding (A)	\$ 3,528	\$ 3,786	\$ 1,157	\$ 8,471
Budget Direct Labor (Flexed for Actual Volume) (B)	\$ 3,482	\$ 2,257	\$ 1,143	6,883
Actual Direct Labor	\$ 4,096	\$ 2,534	\$ 1,491	8,122
Deduct: Actual Direct Labor - Terrebonne	630	468	339	1,437
Actual Direct Labor - Extrusion & Compounding (C)	\$ 3,467	\$ 2,066	\$ 1,153	\$ 6,685
Direct Labor Savings - Extrusion & Compounding - FAV(UNF)				
Actual vs. Budget [(A) - (C)]	<u>\$ 61</u>	<u>\$ 1,720</u>	<u>\$ 4</u>	<u>\$ 1,786</u>
Actual vs. Budget (Flexed for Actual Volume) [(B) - (C)]	<u>\$ 16</u>	<u>\$ 191</u>	<u>\$ (10)</u>	<u>\$ 197</u>
<u>Indirect Labor:</u>				
Budget Indirect Labor	\$ 4,344	\$ 4,405	\$ 1,430	10,179
Deduct: Budget Indirect Labor - Terrebonne	283	293	104	680
Budget Indirect Labor - Extrusion & Compounding (A)	\$ 4,061	\$ 4,111	\$ 1,326	\$ 9,499
Budget Indirect Labor (Flexed for Actual Volume) (B)	\$ 4,051	\$ 3,779	\$ 1,323	\$ 9,138
Actual Indirect Labor	\$ 4,337	\$ 2,715	\$ 1,292	8,344
Deduct: Actual Indirect Labor - Terrebonne	274	187	102	563
Actual Indirect Labor - Extrusion & Compounding (C)	\$ 4,064	\$ 2,527	\$ 1,190	\$ 7,781
Indirect Labor Savings - Extrusion & Compounding - FAV(UNF)				
Actual vs. Budget [(A) - (C)]	<u>\$ (3)</u>	<u>\$ 1,584</u>	<u>\$ 136</u>	<u>\$ 1,718</u>
Actual vs. Budget (Flexed for Actual Volume) [(B) - (C)]	<u>\$ (13)</u>	<u>\$ 1,252</u>	<u>\$ 133</u>	<u>\$ 1,357</u>
<u>SG&A Labor - Consolidated:</u>				
Budget SG&A Labor	\$ 2,519	\$ 2,486	\$ 897	5,902
Actual SG&A Labor	\$ 2,380	\$ 1,594	\$ 744	4,717
SG&A Labor Savings - FAV(UNF)	<u>\$ 139</u>	<u>\$ 892</u>	<u>\$ 153</u>	<u>\$ 1,184</u>

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

Strategic Plan Update – Summary of HCR Initiative (Cont’d)

(In Thousands of US Dollars)

	Q1-20	Q2-20	Jul-20	YTD
Budget Production Volume (Lbs)	23,879	26,929	8,670	59,478
Budget Direct Labor - Consolidated	\$ 4,202	\$ 4,639	\$ 1,471	10,312
Deduct:				
Budget Direct Labor - Terrebonne	\$ 675	\$ 853	314	1,841
Budget Total Labor - Extrusion & Compounding	<u>\$ 3,528</u>	<u>\$ 3,786</u>	<u>\$ 1,157</u>	<u>\$ 8,471</u>
Budget Direct Labor \$ / Lb Manufactured	\$ 0.148	\$ 0.141	\$ 0.133	\$ 0.142
Actual Production Volume (Lbs)	23,571	16,055	8,565	48,191
Actual Direct Labor - Consolidated	\$ 4,096	\$ 2,534	\$ 1,491	8,122
Deduct:				
Actual Direct Labor - Terrebonne	\$ 630	\$ 468	339	1,437
Actual Direct Labor - Extrusion & Compounding	<u>\$ 3,467</u>	<u>\$ 2,066</u>	<u>\$ 1,153</u>	<u>\$ 6,685</u>
Actual Direct Labor \$/Lb Manufactured	\$ 0.147	\$ 0.129	\$ 0.135	\$ 0.139
Budget Casual / Temp Direct Labor - Consolidated	\$ 220	\$ 477	\$ 162	858
Deduct:				
Budget Casual / Temp Direct Labor - Terrebonne	\$ 11	\$ 160	52	224
Budget Total Casual / Temp Labor - Extrusion & Compounding	<u>\$ 209</u>	<u>\$ 316</u>	<u>\$ 109</u>	<u>\$ 635</u>
Budget Casual / Temp Direct Labor \$ / Lb Manufactured	\$ 0.009	\$ 0.012	\$ 0.013	\$ 0.011
Actual Casual / Temp Direct Labor - Consolidated	\$ 320	\$ 186	\$ 211	717
Deduct:				
Actual Casual / Temp Direct Labor - Terrebonne	\$ 89	\$ 113	121	323
Actual Casual / Temp Direct Labor - Extrusion & Compounding	<u>\$ 231</u>	<u>\$ 73</u>	<u>\$ 90</u>	<u>\$ 394</u>
Actual Casual / Temp Direct Labor \$/Lb Manufactured	\$ 0.010	\$ 0.005	\$ 0.010	\$ 0.008

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	Bud	Act	Bud	BP's	%	Act	BP's	%	Act	Bud	BP's	%	Act	BP's	%								
Customer:																																						
PGT Industries Inc	\$	2,295	\$	1,975	\$	319	16.2%	\$	2,074	\$	221	10.6%	\$	13,677	\$	13,599	\$	78	0.6%	\$	13,261	\$	416	3.1%	23.6%	22.8%	74	3.2%	18.1%	548	30%	22.8%	20.7%	214	10.3%	14.3%	855	59.9%
Eclipse Shutter Systems		1,463		1,089		374	34.3%		1,098		365	33.2%		7,585		7,929	(344)	(4.3%)		7,973		(388)	(4.9%)	5.0%	2.0%	298	146.0%	6.7%	(164)	(25%)	4.2%	3.0%	118	39.5%	5.8%	(159)	(27.6%)	
Simonton		931		833		98	11.8%		833		98	11.8%		4,649		5,453	(804)	(14.7%)		5,453		(804)	(14.7%)	10.7%	23.0%	(1,236)	(53.7%)	(18.7%)	2,933	(157%)	8.0%	11.5%	(357)	(31.0%)	(16.9%)	2,483	(147.1%)	
Atis		835		920		(84)	(9.2%)		918		(83)	(9.0%)		4,440		5,421	(981)	(18.1%)		5,308		(869)	(16.4%)	(13.1%)	18.8%	(3,185)	(169.4%)	6.1%	(1,917)	(313%)	(15.5%)	(11.4%)	(414)	36.3%	8.0%	(2,358)	(293.2%)	
Quaker Window Products		801		631		170	27.0%		579		222	38.3%		3,850		3,605	245	6.8%		3,246		604	18.6%	16.8%	63.7%	(4,694)	(73.7%)	12.3%	447	36%	10.1%	17.9%	(779)	(43.5%)	7.3%	287	39.6%	
Polaris Technologies		514		520		(6)	(1.2%)		531		(17)	(3.2%)		2,592		3,515	(923)	(26.3%)		3,128		(536)	(17.1%)	21.2%	15.5%	570	36.6%	20.5%	79	4%	16.8%	14.1%	264	18.7%	20.0%	(319)	(16.0%)	
All Weather		312		610		(298)	(48.9%)		506		(194)	(38.4%)		1,812		3,307	(1,495)	(45.2%)		2,725		(913)	(33.5%)	2.2%	61.2%	(5,906)	(96.4%)	8.3%	(610)	(74%)	1.1%	19.2%	(1,814)	(94.5%)	9.2%	(813)	(88.4%)	
SOLARIS QUEBEC P & F INC.		218		235		(16)	(7.0%)		227		(8)	(3.7%)		2,054		2,598	(544)	(20.9%)		2,482		(428)	(17.2%)	24.6%	23.8%	76	3.2%	22.3%	224	10%	24.4%	24.7%	(33)	(1.3%)	15.1%	928	61.3%	
Cascade		187		464		(278)	(59.8%)		436		(250)	(57.3%)		1,312		2,536	(1,223)	(48.2%)		2,264		(951)	(42.0%)	(30.6%)	(12.7%)	(1,794)	141.3%	9.2%	(3,983)	(433%)	(32.7%)	(18.0%)	(1,467)	81.5%	7.6%	(4,029)	(528.0%)	
A.M.I.		454		387		67	17.3%		449		5	1.1%		1,592		2,147	(555)	(25.8%)		2,068		(476)	(23.0%)	22.0%	7.9%	1,412	178.6%	14.4%	767	53%	13.0%	8.9%	408	45.6%	12.3%	72	5.8%	
Windsor Window Co OEM		580		367		213	58.0%		392		187	47.7%		2,908		2,471	436	17.7%		2,439		469	19.2%	22.5%	60.5%	(3,796)	(62.8%)	0.0%	2,252	N/A	19.7%	26.4%	(671)	(25.5%)	0.0%	1,965	N/A	
Coeur d'Alene		489		378		111	29.3%		337		152	45.2%		2,370		2,046	324	15.8%		1,822		549	30.1%	7.3%	9.0%	(170)	(18.9%)	2.6%	472	183%	0.1%	2.1%	(201)	(97.4%)	4.7%	(460)	(98.8%)	
Vinyl-Pro Window Systems Inc		569		374		194	51.9%		374		195	52.1%		1,506		1,880	(374)	(19.9%)		1,844		(338)	(18.3%)	3.8%	74.8%	(7,102)	(95.0%)	2.7%	109	41%	1.2%	17.0%	(1,580)	(92.9%)	4.7%	(352)	(74.5%)	
Dashwood Industries Inc		343		331		12	3.5%		360		(17)	(4.7%)		2,033		1,718	315	18.4%		1,773		260	14.6%	9.5%	44.9%	(3,542)	(78.8%)	18.0%	(850)	(47%)	13.7%	15.6%	(183)	(11.7%)	20.0%	(623)	(31.2%)	
ATLANTIC WINDOWS		61		25		36	145.3%		39		22	57.1%		160		138	22	16.0%		161		(1)	(0.5%)	33.7%	(1.1%)	3,485	(3164.8%)	12.2%	2,154	177%	24.6%	8.2%	1,641	199.7%	11.5%	1,313	114.2%	
Ostaco 2000		349		281		69	24.5%		361		(12)	(3.3%)		1,258		1,477	(219)	(14.8%)		1,731		(473)	(27.3%)	0.9%	20.6%	(1,974)	(95.6%)	24.3%	(2,339)	(96%)	9.7%	2.5%	725	295.2%	19.0%	(924)	(48.8%)	
Sierra Pacific Windows		259		255		4	1.6%		310		(51)	(16.5%)		1,808		1,750	58	3.3%		1,571		237	15.1%	11.6%	9.3%	226	24.4%	(0.2%)	1,174	(6212%)	11.6%	10.7%	86	8.0%	(1.0%)	1,254	(1270.7%)	
PORTES & FENETRES ABRITEK		206		261		(55)	(21.0%)		261		(55)	(21.0%)		1,140		1,447	(306)	(21.2%)		1,525		(385)	(25.2%)	14.4%	26.1%	(1,175)	(45.0%)	19.9%	(558)	(28%)	12.4%	20.0%	(757)	(37.9%)	19.5%	(714)	(36.6%)	
Vinyl Profiles, LLC		96		348		(252)	(72.4%)		341		(245)	(71.8%)		1,206		1,644	(438)	(26.7%)		1,611		(405)	(25.1%)	21.9%	8.2%	1,369	167.3%	(2.4%)	2,423	(1029%)	20.9%	18.7%	219	11.7%	1.5%	1,939	1286.6%	
SCHLUTER SYSTEMS L.P.		194		265		(71)	(26.7%)		254		(60)	(23.5%)		1,744		1,363	381	27.9%		1,306		438	33.5%	18.8%	23.8%	(501)	(21.0%)	5.3%	1,347	253%	22.6%	22.4%	15	0.7%	5.2%	1,736	331.5%	
Other		5,036		5,357		(321)	(6.0%)		4,772		264	5.5%		28,663		32,241	(3,578)	(11.1%)		30,884		(2,221)	(7.2%)	17.0%	5.0%	1,203	239.8%	29.9%	(1,288)	(43%)	23.5%	20.5%	301	14.7%	27.8%	(427)	(15.4%)	
Total Gross	\$	16,192	\$	15,906	\$	286	1.8%	\$	15,452	\$	739	4.8%	\$	88,361	\$	98,284	\$(9,924)	(10.1%)	\$	94,575	\$	(6,215)	(6.6%)	13.4%	18.3%	(493)	(26.9%)	14.3%	(94)	(7%)	14.9%	17.0%	(218)	(12.8%)	16.0%	(113)	(7.1%)	

Management Discussion

- Strong month with sales crossing budget for the first time in 2020
 - PGT – Continues its strong momentum from June with another strong month and ahead of YTD budget
 - Another strong month for Eclipse after slowing down Feb - May
 - Atis good pick during the month, however still significantly short of YTD budget.
 - Lower demand from All weather, Cascade and Vinyl profiles with sales falling significantly short of budget.
- Quaker, Windsor, CDA showing strong sales and ahead of YTD budgets.
 - Dashwood and Sierra Pacific remain positive
 - Slow month for Schluter however, still significantly ahead of budget

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	4,078	3,368	710	3,109	969
Lost	543	162	381	2,094	(1,551)
CAN	14,635	18,431	(3,796)	15,620	(985)
US	9,405	10,279	(874)	10,060	(655)
	<u>28,663</u>	<u>32,241</u>	<u>(3,578)</u>	<u>30,884</u>	<u>(2,221)</u>

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, Ventana, Wardco and KP accounting for majority of the shortfall from prior year
- CAN: Isothermic, President and Westeck having soft sales, offset by positive contributions from Northerm, Oasis, Kohlteck/Seymore and Lorendo
- 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			
												<div><div></div><div>\$-0</div></div>		

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															

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>					Formulation approved	
TOTAL NEW CUSTOMERS	\$	200	\$	200	\$	-									
Total External Compound Sales	\$	200	200	\$	-										
TOTAL SALES PIPELINE	\$	51,660	40,305	\$	2,386										
<div><div>Legend</div><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></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	\$ 4,717	\$ 5,902	\$ (1,184)	\$ (112)	\$ -	\$ (1,009)	(63)		\$ (1,184)	\$ (1,233)	\$ -
Bonus	\$ 264	\$ 432	\$ (168)	\$ (45)	\$ -	\$ (120)	(3)		(168)	\$ (521)	-
Commissions	\$ 147	\$ 153	\$ (6)	\$ 17	\$ -	\$ (20)	(3)		(6)	\$ 12	-
Marketing	\$ 478	\$ 633	\$ (155)	\$ (98)	\$ -	\$ (47)	(11)		(155)	\$ (301)	-
Benefits	\$ (854)	\$ -	\$ (854)	\$ -	\$ -	\$ (854)	-		(854)	\$ (854)	-
Travel and entertainment	\$ 202	\$ 653	\$ (451)	\$ (161)	\$ -	\$ (288)	(2)		(451)	\$ (450)	-
Rent and facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-		-	\$ -	-
Business and Realty taxes	\$ 154	\$ 203	\$ (49)	\$ -	\$ -	\$ (50)	0		(49)	\$ (27)	-
Professional fees	\$ 353	\$ 352	\$ 0	\$ 12	\$ -	\$ (5)	(7)		0	\$ 16	-
Office expense	\$ 124	\$ 148	\$ (24)	\$ (22)		\$ -	(2)		(24)	\$ (30)	-
IT	\$ 922	\$ 1,104	\$ (182)	\$ (160)	\$ -	\$ (2)	(20)		(182)	\$ (173)	-
Bad Debts	\$ 61	\$ (2)	\$ 63	\$ 62	\$ -	\$ -	1		63	\$ (36)	-
FX	\$ 36	\$ -	\$ 36	\$ -	\$ -	\$ -	36		36	\$ 197	-
JV Loss (Income)	\$ (122)	\$ (60)	\$ (63)	\$ -	\$ -	\$ (61)	(1)		(63)	\$ (18)	-
Other Expenses	\$ 392	\$ 577	\$ (184)	\$ (177)		\$ -	(8)		(184)	\$ (132)	-
Total Opex	\$ 6,873	\$ 10,094	\$ (3,222)	\$ (683)	\$ -	\$ (2,455)	\$ (84)		\$ (3,222)	\$ (3,550)	\$ -

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	\$ 27	\$ -	\$ (27)	\$ -	\$ -	\$ (27)	(27)	\$ -
Professional Fees	\$ 37	\$ -	\$ (37)	\$ -	\$ -	\$ 22	22	\$ -
Project Panther	\$ 132	\$ -	\$ (132)	\$ -	\$ -	\$ (73)	(73)	\$ -
Project DB&A	\$ 400	\$ 486	\$ 86	\$ 2	\$ -	\$ -	2	\$ 2
Employee Restructuring Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ (62)	\$ -	\$ 62	\$ -	\$ -	\$ -	\$ -	\$ -
Total 1X Costs	\$ 535	\$ 486	\$ (49)	\$ 2	\$ -	\$ (78)	\$ (77)	\$ 2

Management Discussion

- Legal Consulting for CERB, Covid-19 issues and Project Panther \$27K 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 \$11K;
 - Consulting from Lewis Lee Consultants of \$12K
 - 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	Apr-20 Act	May-20 Act	Jun-20 Act	Jul-20		Variance	
					Act	Bud	\$	%
Current Assets								
Cash and cash equivalents	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 0	15.8%
Short term investments	—	—	—	—	—	—	—	N/A
<i>Accounts receivable, gross</i>	9,246	10,163	10,188	13,857	13,841	14,845	(1,004)	(6.8%)
<i>Accounts receivable, reserves</i>	(561)	(585)	(591)	(596)	(607)	(472)	(135)	28.5%
Accounts receivable, net	8,685	9,578	9,597	13,261	13,234	14,373	(1,139)	(7.9%)
<i>Inventory, gross</i>	31,428	29,262	26,251	23,942	22,629	33,552	(10,923)	(32.6%)
<i>Inventory, reserves</i>	(2,031)	(1,589)	(1,612)	(1,616)	(1,613)	(1,988)	375	(18.9%)
Inventory, net	29,397	27,673	24,639	22,326	21,016	31,565	(10,549)	(33.4%)
Prepaid expenses and other current assets	3,221	3,011	2,898	4,129	4,229	4,134	96	2.3%
Other current assets	835	946	1,272	1,101	1,521	945	576	60.9%
Total Current Assets	42,141	41,210	38,409	40,819	40,003	51,019	(11,016)	(21.6%)
Non-Current Assets								
<i>Property, plant & equipment, gross</i>	73,423	71,689	72,300	72,871	73,719	77,297	(3,579)	(4.6%)
<i>Accumulated depreciation</i>	(27,272)	(29,261)	(30,198)	(31,114)	(32,224)	(32,293)	69	(0.2%)
Property, plant & equipment, net	46,151	42,428	42,103	41,757	41,495	45,004	(3,509)	(7.8%)
Deferred financing cost	399	330	319	307	297	294	3	1.0%
Deferred tax asset	4,942	4,430	4,468	4,502	4,569	1,344	3,225	240.0%
Other non-current assets	2,863	2,751	2,755	2,824	2,901	2,762	139	5.0%
Total Non-Current Assets	54,354	49,939	49,645	49,390	49,261	49,404	(142)	(0.3%)
Total Assets	\$ 96,495	\$ 91,149	\$ 88,054	\$ 90,209	\$ 89,265	\$ 100,423	\$ (11,158)	(11.1%)
Current Liabilities								
Bank Debt	\$ 14,452	\$ 6,552	\$ 5,539	\$ 7,345	\$ 3,827	\$ 21,252	\$ (17,425)	(82.0%)
Current Portion - Long Term Debt	1,690	1,602	1,615	1,626	1,650	1,662	(12)	(0.7%)
Accounts payable	12,674	21,714	19,198	17,797	18,204	16,667	1,537	9.2%
Accrued liabilities	2,752	2,580	3,088	2,993	3,253	3,316	(63)	(1.9%)
Accrued compensation	2,007	3,103	3,290	3,132	3,558	2,737	821	30.0%
Income taxes payable	(288)	(297)	(350)	(170)	(204)	562	(766)	(136.3%)
Contingent consideration	—	—	—	—	—	—	—	N/A
Other current liabilities	111	84	71	69	68	158	(90)	(57.0%)
Total Current Liabilities	33,399	35,337	32,450	32,792	30,355	46,352	(15,997)	(34.5%)
Long-term liabilities								
Long-term debt less current maturities	10,799	9,668	9,618	9,555	9,563	9,637	(73)	(0.8%)
Deferred income taxes	10,827	10,279	10,322	10,361	10,437	9,456	981	10.4%
Other non-current liabilities	1,618	1,520	1,536	1,599	1,628	1,476	152	10.3%
Total Long-Term Liabilities	23,244	21,467	21,476	21,515	21,629	20,569	1,060	5.2%
Total Liabilities	56,643	56,804	53,926	54,308	51,984	66,921	(14,937)	(22.3%)
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	22,861	22,637	24,415	25,749	21,879	3,870	17.7%
Accumulated other comprehensive income	(816)	(1,126)	(1,119)	(1,124)	(1,078)	(987)	(91)	9.2%
Total Shareholders' Equity	39,852	34,345	34,127	35,901	37,281	33,502	3,779	11.3%
Total Liabilities and Shareholders' Equity	\$ 96,495	\$ 91,149	\$ 88,054	\$ 90,209	\$ 89,265	\$ 100,423	\$ (11,158)	(11.1%)

Management Discussion

- Net A/R vs. Budget down by \$1,139k (7.9%) due to improved recovery of 30+ dpd balances and lower sales vs budget in prior months. This was further impacted by an unfavorable F/X impact of \$87k (actual rate of 1.3418 [or USD\$ 0.74] vs. the Budget rate of 1.33 [or USD\$ 0.76])
- Inventory levels lower vs budget (33.4% or \$10,549k) on account of limited production impacted by Covid-19 and selling more out of the inventory due to spike in orders and an unfavorable F/X impact of \$125K (actual rate of 1.3418 [or USD\$ 0.74] vs. the Budget rate of 1.33 [or USD\$ 0.76])
- Prepaid expenses slightly ahead of budget by \$96k due to delay in insurance renewals offset by an unfavorable F/X impact of \$27K (actual rate of 1.3418 [or USD\$ 0.74] vs. the Budget rate of 1.33 [or USD\$ 0.76])
- PPE lower 7.8% or \$3,509k on account of lower Capex expenditure due to delay/hold off strategy due to Covid-19 impact and an unfavorable F/X impact of \$166K (actual rate of 1.3418 [or USD\$ 0.74] vs. the Budget rate of 1.33 [or USD\$ 0.76])
- Deferred tax assets higher vs budget following review of 2019 year end balances by MNP.
- Decrease in exposure with Bank due to reduction in borrowing due to lower purchasing, lower Capex and lower expenditure and a favorable F/X impact of \$127k (actual rate of 1.3418 [or USD\$ 0.74] vs. the Budget rate of 1.33 [or USD\$ 0.76])
- Accounts Payables slightly higher vs budget on account of holding of a few large ticket payments
- Accrued Liabilities in line with Budget

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)	\$	1,334	\$	184	\$	1,150	626.5%	\$	(528)	\$	1,862	(352.4%)	\$	(2,348)	\$	(3,024)	\$	676	(22.4%)	\$	(2,524)	\$	176	(7.0%)
Depreciation, amortization and other		764		822		(57)	(7.0%)		761		4	0.5%		5,422		5,571		(149)	(2.7%)		5,087		336	6.6%
Non-cash loss/expense (gain)		(151)		106		(257)	(242.2%)		64		(214)	(337.0%)		(55)		(38)		(17)	43.5%		(144)		89	(61.7%)
Deferred income tax		10		–		10	N/A		(19)		28	(151.2%)		246		(1,117)		1,363	(122.0%)		147		99	67.5%
Change in operating assets and liabilities:																								
Accounts receivable		27		428		(401)	(93.7%)		2,118		(2,091)	(98.7%)		(4,549)		(5,688)		1,139	(20.0%)		(4,601)		52	(1.1%)
Inventory		1,310		1,825		(515)	(28.2%)		181		1,129	622.8%		8,380		(2,168)		10,549	(486.5%)		(2,397)		10,777	(449.7%)
Prepaid expenses and other current assets		(521)		39		(559)	(1443.1%)		(173)		(348)	200.9%		(1,694)		(1,023)		(671)	65.7%		(1,440)		(254)	17.6%
Accounts payable		407		(1,408)		1,815	(128.9%)		(340)		748	(219.6%)		5,530		3,993		1,537	38.5%		2,437		3,093	126.9%
Accrued expenses		686		(824)		1,510	(183.2%)		(846)		1,532	(181.0%)		2,052		1,294		758	58.6%		1,083		969	89.4%
Accrued income taxes		(34)		124		(158)	(127.7%)		164		(198)	(120.9%)		84		849		(766)	(90.2%)		292		(209)	(71.4%)
Other changes in operating assets and liabilities		(2)		0		(2)	(703.0%)		1		(3)	(228.7%)		(44)		46		(90)	(194.0%)		30		(73)	(246.4%)
Other cash flow from operations		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A
Total Cash Flow from Operations	\$	3,830	\$	1,295	\$	2,535	195.7%	\$	1,381	\$	2,449	177.3%	\$	13,025	\$	(1,304)	\$	14,329	(1099.0%)	\$	(2,030)	\$	15,055	(741.5%)
Cash flow from investing																								
Additions to property, plant and equipment	\$	(175)	\$	(556)	\$	381	(68.5%)	\$	(761)	\$	586	(77.0%)	\$	(1,449)	\$	(4,527)	\$	3,078	(68.0%)	\$	(4,113)	\$	2,664	(64.8%)
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	\$	(175)	\$	(556)	\$	381	(68.5%)	\$	(761)	\$	586	(77.0%)	\$	(1,449)	\$	(4,527)	\$	3,078	(68.0%)	\$	(4,113)	\$	2,664	(64.8%)
Cash flow from financing																								
Proceeds from the issuance (repayment) of short-term debt	\$	(3,518)	\$	(601)	\$	(2,917)	485.1%	\$	(480)	\$	(3,038)	632.7%	\$	(10,625)	\$	6,799	\$	(17,425)	(256.3%)	\$	7,116	\$	(17,741)	(249.3%)
Proceeds from the issuance of debt		0		–		0	N/A		0		(0)	(84.0%)		(0)		–		(0)	N/A		(0)		0	(99.0%)
Repayment of debt		(137)		(138)		1	(0.7%)		(140)		3	(1.9%)		(951)		(969)		19	(1.9%)		(969)		19	(1.9%)
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	\$	(3,655)	\$	(740)	\$	(2,916)	394.2%	\$	(620)	\$	(3,035)	489.2%	\$	(11,576)	\$	5,830	\$	(17,406)	(298.6%)	\$	6,146	\$	(17,722)	(288.3%)
Effect of FX rates on cash and cash equivalents	\$	–	\$	–	\$	–	N/A	\$	–	\$	–	N/A	\$	–	\$	–	\$	–	N/A	\$	–	\$	–	N/A
Net change in cash	\$	0	\$	0	\$	0	4551%	\$	(0)	\$	0	(451.2%)	\$	(0)	\$	(0)	\$	0	(90.3%)	\$	3	\$	(3)	(101.4%)
Beginning cash		3		2		0	14.8%		3		(0)	(7.1%)		3		3		0	0.0%		0		3	815681.2%
Change in cash		0		0		0	4551%		(0)		0	(451.2%)		(0)		(0)		0	(90.3%)		3		(3)	(101.4%)
Ending cash	\$	3	\$	2	\$	0	15.7%	\$	3	\$	(0)	(6.1%)	\$	3	\$	2	\$	0	15.7%	\$	3	\$	(0)	(6.1%)

Covenant Analysis

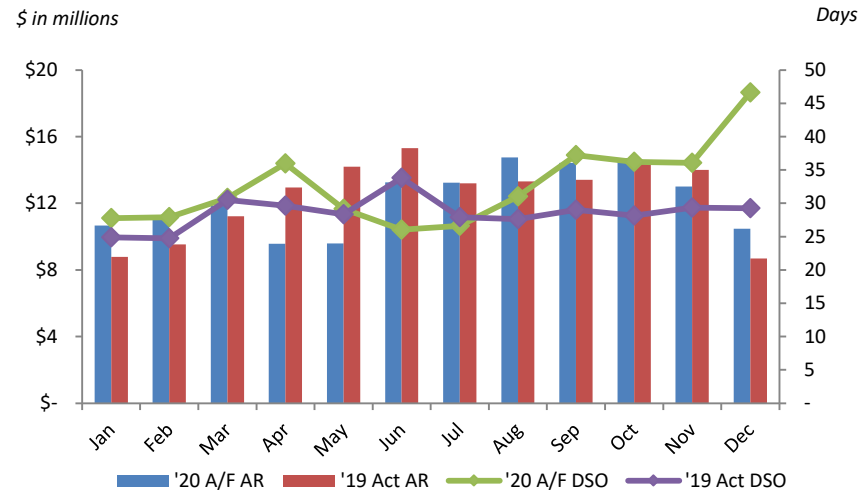
(US\$ '000s)	Act Dec-19	Act Jan-20	Act Feb-20	Act Mar-20	Act Apr-20	Act May-20	Act Jun-20	Act Jul-20	Fcst Aug-20	Fcst Sep-20	Fcst Oct-20	Fcst Nov-20	Fcst Dec-20
Excess Availability													
Borrowing Base	27,369	23,561	24,678	23,368	23,124	22,657	20,992	20,592	20,259	20,188	20,657	20,082	19,643
Total Revolver Debt	14,452	17,079	16,572	13,221	6,552	5,539	7,345	3,827	7,664	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	12,595	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%	62.2%	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	10,768	9,841	9,258	7,893	6,939
Total Capex	672	228	219	237	116	233	241	175	339	338	339	338	331
IT separation Capex	-	-	-	-	-	-	-	-	-	-	-	-	-
Financed Capex	-	-	-	-	-	-	-	-	-	-	-	-	-
Capex, as calculated for FCCR	672	228	219	237	116	233	241	175	339	338	339	338	331
TTM Capex	6,807	6,546	6,234	5,911	5,579	5,293	4,729	4,143	4,096	3,934	3,751	3,475	3,134
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	5,865	5,100	4,700	3,611	3,648
Cash Interest on existing ABL	194	156	164	157	134	118	125	112	133	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	1,798	1,749	1,704	1,685	1,619
Principal Payments on additional debt	140	140	138	132	133	135	136	137	135	135	133	133	133
TTM Principal Payments	1,665	1,667	1,665	1,659	1,655	1,652	1,649	1,646	1,643	1,639	1,632	1,626	1,619
Denominator	3,823	3,825	3,823	3,784	3,730	3,647	3,582	3,500	3,441	3,388	3,336	3,311	3,238
FCCR Ratio	0.6	0.6	0.5	0.6	0.5	0.5	0.9	1.6	1.7	1.5	1.4	1.1	1.1
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

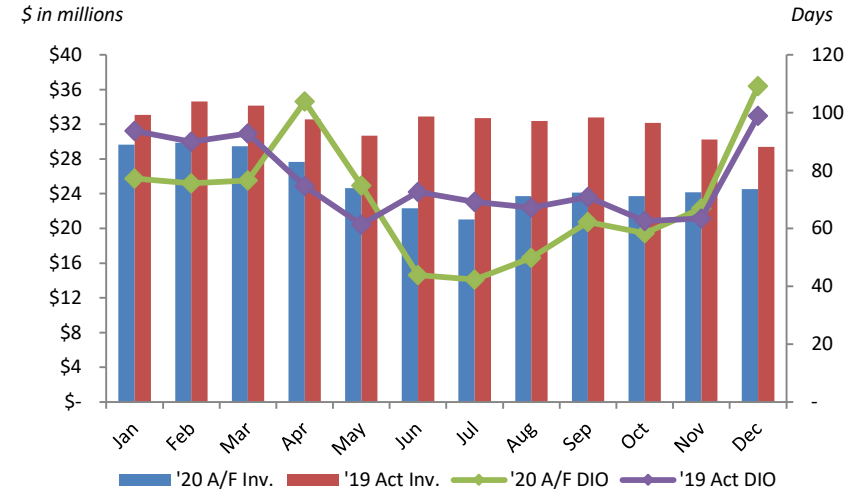
Date	08/07/20	08/14/20	08/21/20	08/28/20	09/04/20	09/11/20	09/18/20	09/25/20	10/02/20	10/09/20	10/16/20	10/23/20	10/30/20
Cash Flow Roll-Up:													
Total Inflows - Operational	2,128	1,807	1,787	1,787	2,259	2,223	2,382	2,395	2,457	2,059	1,938	2,029	2,098
Receipts from Customers based on AR	2,128	2,214	2,194	2,194	2,288	1,874	1,438	1,073	606	140	-	-	-
New Net External Sales	-	-	-	-	378	755	1,259	1,637	2,015	2,083	2,152	2,244	2,312
New Affiliate Sales	-	-	407	407	407	407	315	315	164	164	214	214	214
Total Outflows - Operational	(3,254)	(3,460)	(2,951)	(3,713)	(3,419)	(3,151)	(2,465)	(3,051)	(2,947)	(2,236)	(1,702)	(2,450)	(1,767)
Payments to Suppliers based on AP Agir	(1,055)	(1,065)	(924)	(896)	(840)	(840)	(784)	(864)	(864)	(864)	(864)	(270)	(270)
Materials	(281)	(283)	(737)	(737)	(785)	(793)	(784)	(784)	(981)	10	2	(459)	(724)
Conversion Costs	(941)	(950)	(309)	(715)	(696)	(951)	(399)	(844)	(759)	(944)	(508)	(823)	(453)
Other COGS	(122)	(123)	(123)	(159)	(124)	(124)	(124)	(160)	(124)	(148)	(148)	(190)	(148)
Selling Costs	(33)	(88)	(33)	(142)	(31)	(58)	(31)	(170)	(85)	(101)	(40)	(223)	(37)
General and Administrative	(64)	(138)	(64)	(320)	(61)	(104)	(61)	(138)	(71)	(125)	(80)	(421)	(72)
Intercompany Material Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Capex	(158)	(159)	(91)	(91)	(91)	(91)	(91)	(91)	(63)	(63)	(63)	(63)	(63)
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	(599)	(653)	(670)	(653)	(790)	(190)	(190)	0	0	0	0	0	0
Projected Operational Cash Flow	(1,126)	(1,652)	(1,164)	(1,927)	(1,161)	(929)	(84)	(656)	(490)	(177)	236	(420)	331
Cash receipts more (less) than projection	1,481	1,001	0	0	0	0	0	0	0	0	0	0	0
Cash outflows less (more) than projection	(426)	1,015	0	0	0	0	0	0	0	0	0	0	0
(Adjustment)	0	1,554	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)	60	130	0	0	0	0	0	0	0	0	0	0	0
Actual Operational Cash Flow	(12)	2,048	(1,164)	(1,927)	(1,161)	(929)	(84)	(656)	(490)	(177)	236	(420)	331
Bank interest	(101)	0	0	0	(171)	0	0	0	(162)	0	0	0	(8)
Bridge Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0
Term Loan	(138)	0	0	0	(139)	0	0	0	(139)	0	0	0	(19)
Monitoring Fees	0	0	0	0	0	0	0	0	0	0	0	(250)	0
Other Inflows/Outflows	0	0	0	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	0	0	(9)	0	(3)	0	(10)	0	(3)	0	(9)	0	(3)
Total Financial Cash Flow	(239)	0	(9)	0	(312)	0	(10)	0	(304)	0	(9)	(250)	(30)
Total Cash Flow	(251)	2,048	(1,173)	(1,927)	(1,473)	(929)	(93)	(656)	(794)	(177)	227	(670)	301
Adjusted Loan Balance	4,322	4,322	5,496	7,271	8,139	8,146	7,893	8,549	9,343	9,519	9,293	9,963	9,662
Term Loan	11,154	11,216	11,216	11,216	11,077	11,077	11,077	11,077	10,938	10,938	10,938	10,938	10,919
Total Debt	15,476	15,539	16,712	18,487	19,216	19,223	18,970	19,626	20,281	20,457	20,231	20,901	20,581
Revolver Availability	16,281	16,365	13,127	11,352	10,484	10,477	10,730	11,992	11,199	11,022	11,249	10,022	10,322
Revolver Availability (with Cash on Hand)	16,261	18,389	15,152	13,225	11,752	10,823	10,730	11,993	11,199	11,022	11,249	10,022	10,323
Debt Per Loan Ledger	15,476	15,539	16,712	18,487	19,216	19,223	18,970	19,626	20,281	20,457	20,231	20,901	20,581

Working Capital and Cash Conversion Cycle

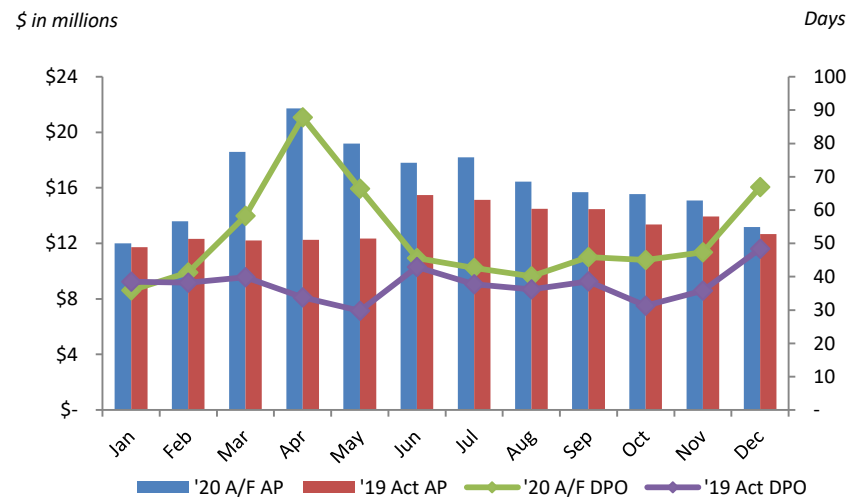
Accounts Receivable



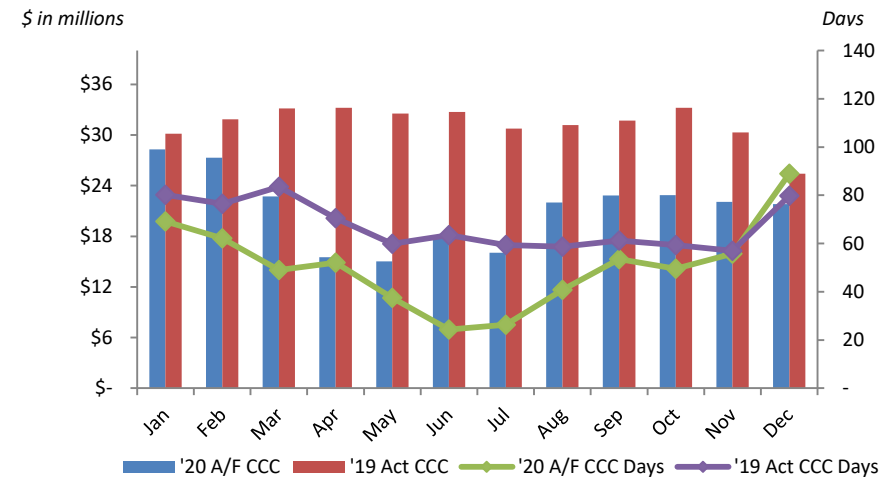
Inventory



Accounts Payable



Cash Conversion Cycle



AR and AP Aging Detail

\$'000

AR Aging					
Days	May-20	Jun-20	Jul-20	%	
0-30	\$ 7,763	\$ 11,748	\$ 12,169	91.9%	
30-60	975	1,142	516	3.9%	
60-90	321	(126)	207	1.6%	
>90	539	497	342	2.6%	
Total	\$ 9,597	\$ 13,261	\$ 13,234	100.0%	

AP Aging					
Days	May-20	Jun-20	Jul-20	%	
0-30	\$ 6,706	\$ 10,322	\$ 10,596	58.2%	
30-60	4,058	2,530	5,421	29.8%	
60-90	6,290	2,603	1,521	8.4%	
>90	2,143	2,341	666	3.7%	
Total	\$ 19,198	\$ 17,797	\$ 18,204	100.0%	

Management Discussion

A/R Aging:

- Slight increase DSO days from 26 to 27 following increase in current balances due to increased sales
- Significant improvement in A/R collections from Q1
 - 92.0% in the 0-30 days category @ Jul-20
 - 77.2% in the 0-30 days category @ Mar-20

A/P Aging:

- Decrease in DPO days from 46 to 43 following payments made to clear overdue balances particularly in the 60+ days from \$4,944k at the end of June to \$2,187k at the end of July

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Full Year Outlook Consolidated P&L Summary

\$'000	FY		Var		PY	Var	
	Fsct	Bud	\$	%	Act	\$	%
Units Produced ('000)	82,974	99,042	(16,068)	(16.2%)	97,151	(14,177)	(14.6%)
Units Shipped ('000)	87,151	99,426	(12,275)	(12.3%)	96,500	(9,349)	(9.7%)
Bookings (\$'000)	\$ 150,738	\$ 173,296	\$ (22,558)	(13.0%)	\$ 162,586	\$ (11,848)	(7.3%)
Backlog ('\$000)	\$ 8,870	\$ 8,450	\$ 420	5.0%	\$ 8,430	\$ 441	5.2%
Gross Revenue	\$ 148,440	\$ 173,563	\$ (25,123)	(14.5%)	\$ 166,852	\$ (18,412)	(11.0%)
Adj. to Gross Revenue	(7,525)	(9,009)	1,484	(16.5%)	(8,598)	1,073	(12.5%)
Net Revenue	140,915	164,554	(23,639)	(14.4%)	158,254	(17,339)	(11.0%)
Material	70,757	81,128	(10,371)	(12.8%)	77,754	(6,997)	(9.0%)
Labor	30,053	35,452	(5,399)	(15.2%)	35,294	(5,241)	(14.8%)
Other COGS	19,690	18,534	1,156	6.2%	18,632	1,058	5.7%
Total COGS	120,500	135,114	(14,614)	(10.8%)	131,680	(11,180)	(8.5%)
Gross Margin	20,415	29,440	(9,025)	(30.7%)	26,574	(6,159)	(23.2%)
Gross Margin %	14.5%	17.9%			16.8%		
R&D	—	—	—	N/A	—	—	N/A
Sales & Marketing	4,769	6,505	(1,735)	(26.7%)	6,659	(1,890)	(28.4%)
Administrative	8,917	11,012	(2,096)	(19.0%)	10,335	(1,419)	(13.7%)
Other Opex	(974)	(112)	(862)	766.9%	(291)	(683)	234.8%
Total Opex	12,712	17,405	(4,693)	(27.0%)	16,704	(3,992)	(23.9%)
EBITDA	7,704	12,036	(4,332)	(36.0%)	9,870	(2,167)	(22.0%)
EBITDA %	5.5%	7.3%			6.2%		
Net Income (Loss)	\$ (5,988)	\$ (3,497)	\$ (2,490)	71.2%	\$ (1,971)	\$ (4,017)	203.8%
Capex	\$ (3,134)	\$ (6,501)	\$ 3,367	(51.8%)	\$ (6,807)	\$ 3,673	(54.0%)
Opex Overview:							
Payroll	\$ 8,383	\$ 10,185	\$ (1,802)	(17.7%)	\$ 9,929	\$ (1,546)	(15.6%)
Bonus	369	740	(371)	(50.1%)	62	307	493.9%
Commissions	223	273	(50)	(18.4%)	247	(24)	(9.7%)
Marketing	849	1,098	(249)	(22.7%)	1,596	(747)	(46.8%)
Benefits	(854)	—	(854)	N/A	—	(854)	N/A
Travel and entertainment	451	1,145	(694)	(60.6%)	1,069	(618)	(57.8%)
Rent and facilities	—	—	—	N/A	—	—	N/A
Insurance	271	333	(62)	(18.6%)	317	(46)	(14.5%)
Professional fees	566	591	(25)	(4.3%)	671	(105)	(15.7%)
Office Expenses	215	261	(47)	(17.9%)	256	(41)	(16.2%)
IT	1,599	1,881	(283)	(15.0%)	1,860	(261)	(14.1%)
Bad Debts	60	(4)	63	(1753.3%)	174	(114)	(65.7%)
FX	36	—	36	N/A	(145)	181	(124.5%)
JV Loss (Income)	(156)	(112)	(43)	38.5%	(146)	(10)	6.8%
Other Expenses	701	1,013	(311)	(30.7%)	814	(113)	(13.8%)
Total Opex	\$ 12,712	\$ 17,405	\$ (4,693)	(27.0%)	\$ 16,704	\$ (3,992)	(23.9%)

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	BP	%	Act		BP	%		
Customer:																				
PGT Industries Inc	\$	21,511	\$	22,572	\$	(1,062)	(4.7%)	\$	21,951	\$	(440)	(2.0%)		20.7%	20.7%	(4)	(0.2%)	15.6%	511	32.8%
Eclipse Shutter Systems		13,371		13,715		(344)	(2.5%)		13,334		37	0.3%		3.3%	2.9%	36	12.5%	3.8%	(53)	(14.0%)
Simonton		7,248		9,500		(2,252)	(23.7%)		9,562		(2,314)	(24.2%)		9.2%	12.5%	(327)	(26.2%)	(15.4%)	2,463	(160.1%)
Atis		9,049		10,787		(1,738)	(16.1%)		9,467		(418)	(4.4%)		(15.2%)	(8.0%)	(715)	88.9%	8.6%	(2,382)	(276.1%)
Quaker Window Products		5,661		6,093		(432)	(7.1%)		5,858		(197)	(3.4%)		10.2%	22.8%	(1,263)	(55.4%)	9.1%	105	11.5%
Polaris Technologies		4,302		5,975		(1,673)	(28.0%)		5,042		(740)	(14.7%)		14.3%	14.0%	27	1.9%	20.8%	(650)	(31.2%)
All Weather		3,162		5,256		(2,094)	(39.8%)		4,545		(1,384)	(30.4%)		6.8%	24.0%	(1,720)	(71.6%)	9.9%	(304)	(30.9%)
SOLARIS QUEBEC P & F INC.		3,602		4,474		(872)	(19.5%)		4,265		(664)	(15.6%)		24.6%	24.7%	(17)	(0.7%)	16.2%	835	51.5%
Cascade		2,617		4,197		(1,580)	(37.6%)		3,716		(1,099)	(29.6%)		(21.7%)	(18.3%)	(344)	18.8%	8.8%	(3,052)	(347.0%)
A.M.I.		3,673		4,227		(555)	(13.1%)		3,628		45	1.2%		10.1%	8.6%	150	17.4%	12.6%	(253)	(20.0%)
Windsor Window Co OEM		4,053		3,952		101	2.5%		4,303		(250)	(5.8%)		20.5%	29.5%	(899)	(30.5%)	0.0%	2,046	N/A
Coeur d'Alene		3,462		3,755		(293)	(7.8%)		3,684		(222)	(6.0%)		1.2%	2.5%	(128)	(51.7%)	5.4%	(418)	(77.8%)
Vinyl-Pro Window Systems Inc		2,778		3,609		(831)	(23.0%)		3,328		(550)	(16.5%)		4.2%	25.8%	(2,156)	(83.6%)	5.9%	(170)	(28.7%)
Dashwood Industries Inc		3,496		3,562		(66)	(1.9%)		3,445		51	1.5%		11.4%	19.3%	(787)	(40.8%)	18.8%	(733)	(39.1%)
ATLANTIC WINDOWS		293		271		22	8.1%		245		48	19.7%		12.9%	6.6%	630	95.1%	12.3%	59	4.8%
Ostaco 2000		2,609		2,989		(380)	(12.7%)		3,019		(410)	(13.6%)		1.9%	5.1%	(312)	(61.7%)	15.4%	(1,348)	(87.4%)
Sierra Pacific Windows		2,774		2,886		(112)	(3.9%)		2,861		(87)	(3.0%)		11.1%	10.5%	63	6.0%	0.5%	1,063	2243.1%
PORTES & FENETRES ABRITEK		2,424		2,890		(466)	(16.1%)		3,175		(751)	(23.6%)		18.3%	20.5%	(219)	(10.7%)	16.0%	234	14.6%
Vinyl Profiles, LLC		1,795		2,748		(953)	(34.7%)		2,797		(1,003)	(35.8%)		21.0%	17.3%	366	21.1%	3.8%	1,723	459.6%
SCHLUTER SYSTEMS L.P.		2,635		2,400		235	9.8%		2,664		(29)	(1.1%)		21.6%	22.3%	(78)	(3.5%)	6.3%	1,529	243.9%
Other		47,925		57,704		(9,779)	(16.9%)		55,961		(8,037)	(14.4%)		22.9%	19.0%	388	20.4%	28.1%	(521)	(18.5%)
Total Gross	\$	148,440	\$	173,563	\$	(25,123)	(14.5%)	\$	166,852	\$	(18,412)	(11.0%)		13.9%	17.1%	(314)	(18.4%)	15.9%	(201)	(12.6%)

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 before tapering off, however current outlook is positive after a strong June and July
- Strong demand from Schluter which has remained positive throughout 2020

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Management Governance Report

Disclosure Committee:

- Members include: CEO, CFO & VP Manufacturing
- Meeting held on August 7th, 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

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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	7/31/2020	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											
Net Revenue						Adj. EBITDA				Net Debt	
	Act	Bud	Variance	PY	Variance	Act	Bud	Variance	PY	Variance	
This Month	\$ 15,402	\$ 15,095	2.0%	\$ 14,669	5.0%	\$ 1,992	\$ 1,431	39.2%	\$ 687	190.2%	\$ 15,037
Quarter to Date	\$ 15,402	\$ 15,095	2.0%	\$ 14,669	5.0%	\$ 1,992	\$ 1,431	39.2%	\$ 687	190.2%	\$ 32,548
Year to Date	\$ 84,170	\$ 93,387	-9.9%	\$ 90,001	-6.5%	\$ 6,145	\$ 6,760	-9.1%	\$ 4,580	34.2%	\$ 30,415

LTM Trends (\$'000s)	8/31/19	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	LTM
Units Produced ('000)	9,076	8,551	9,067	8,304	5,147	8,094	7,753	7,725	3,301	5,222	7,532	8,565	88,335
Units Shipped ('000)	8,865	8,508	9,699	8,621	5,458	7,842	6,982	7,690	5,019	6,548	9,246	9,550	94,028
Net Revenue	\$ 14,926	\$ 13,879	\$ 15,932	\$ 14,307	\$ 9,209	\$ 11,905	\$ 11,463	\$ 11,932	\$ 7,990	\$ 10,211	\$ 15,266	\$ 15,402	\$ 152,423
Gross Margin	2,502	2,638	2,711	2,633	1,088	1,525	1,904	2,043	575	1,253	3,548	2,171	24,590
Gross Margin %	16.8%	19.0%	17.0%	18.4%	11.8%	12.8%	16.6%	17.1%	7.2%	12.3%	23.2%	14.1%	16.1%
SG&A	1,553	1,630	1,569	934	595	1,443	1,282	1,424	949	806	791	179	13,154
Reported EBITDA	949	1,008	1,142	1,699	493	82	623	619	(374)	447	2,758	1,992	11,436
Rep. EBITDA %	6.4%	7.3%	7.2%	11.9%	5.3%	0.7%	5.4%	5.2%	(4.7%)	4.4%	18.1%	12.9%	7.5%
Adj. EBITDA	949	1,008	1,142	1,699	493	82	623	619	(374)	447	2,758	1,992	11,436
Adj. EBITDA %	6.4%	7.3%	7.2%	11.9%	5.3%	0.7%	5.4%	5.2%	(4.7%)	4.4%	18.1%	12.9%	7.5%
Capex	\$ (386)	\$ (500)	\$ (522)	\$ (614)	\$ (672)	\$ (228)	\$ (219)	\$ (237)	\$ (116)	\$ (233)	\$ (241)	\$ (175)	\$ (4,143)
Accounts Receivable, Net	\$ 13,308	\$ 13,414	\$ 14,460	\$ 14,004	\$ 8,685	\$ 10,663	\$ 11,029	\$ 11,843	\$ 9,578	\$ 9,597	\$ 13,261	\$ 13,234	\$ 13,234
Inventory, Net	32,363	32,765	32,143	30,246	29,397	29,656	29,866	29,466	27,673	24,639	22,326	21,016	21,016
Accounts Payable	14,498	14,476	13,366	13,935	12,674	12,013	13,603	18,599	21,714	19,198	17,797	18,204	18,204
CCC	\$ 31,172	\$ 31,703	\$ 33,238	\$ 30,315	\$ 25,408	\$ 28,306	\$ 27,292	\$ 22,711	\$ 15,536	\$ 15,038	\$ 17,790	\$ 16,046	\$ 16,046
DSO	27.6	29.0	28.1	29.4	29.2	27.8	27.9	30.8	36.0	29.1	26.1	26.6	31.7
DSI	67.2	70.8	62.5	63.4	99.0	77.2	75.6	76.6	103.9	74.8	43.9	42.3	50.3
DPO	36.2	38.6	31.3	35.8	48.4	35.9	41.3	58.3	87.8	66.4	45.6	42.7	52.0
C2C	58.7	61.2	59.3	57.0	79.8	69.1	62.2	49.0	52.0	37.5	24.4	26.3	30.0
Bank revolver	\$ 16,897	\$ 16,663	\$ 17,396	\$ 14,798	\$ 14,452	\$ 17,079	\$ 16,572	\$ 13,221	\$ 6,552	\$ 5,539	\$ 7,345	\$ 3,827	\$ 3,827
Unclassified external debt / OID	12,825	12,727	12,662	12,417	12,490	12,188	11,918	11,228	11,270	11,232	11,182	11,213	11,213
OpenGate debt	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Debt Outstanding	29,721	29,390	30,057	27,215	26,942	29,267	28,490	24,448	17,822	16,772	18,527	15,040	15,040
Cash and equivalents	3	3	3	3	3	3	3	3	3	3	3	3	3
Total Net Debt	\$ 29,718	\$ 29,387	\$ 30,055	\$ 27,212	\$ 26,939	\$ 29,264	\$ 28,487	\$ 24,446	\$ 17,819	\$ 16,769	\$ 18,524	\$ 15,037	\$ 15,037
Beginning Cash Balance	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Add / (Less): Operating Cash Flow	966	873	(71)	3,350	1,157	(2,258)	864	3,720	6,918	1,380	(1,429)	3,830	19,301
Add / (Less): Investing Cash Flow	(386)	(500)	(522)	(614)	(672)	(228)	(219)	(237)	(116)	(233)	(241)	(175)	(4,143)
Add / (Less): Financing Cash Flow	(580)	(373)	593	(2,737)	(485)	2,486	(645)	(3,483)	(6,802)	(1,147)	1,670	(3,655)	(15,158)
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	7/31/2020			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	\$ 152,423								
EBITDA, Reported	12,278	11,315	10,180	9,870	11,436								
EBITDA, Reported %	7.2%	6.6%	6.0%	6.2%	7.5%								
EBITDA, Adjusted	12,278	11,315	10,180	9,870	11,436								
EBITDA, Adjusted %	7.2%	6.6%	6.0%	6.2%	7.5%								
Accounts Receivable, Net	11,660	11,846	8,594	8,685	13,234								
Inventory, Net	27,470	29,714	30,309	29,397	21,016								
Accounts Payable	7,504	13,088	12,709	12,674	18,204								
CCC	31,626	28,473	26,194	25,408	16,046								
Net Debt	\$ 3,014	\$ 18,697	\$ 23,857	\$ 26,939	\$ 15,037								

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	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
Units Produced ('000)	8,094	7,753	7,725	3,301	5,222	7,532	8,565	8,182	7,035	7,459	6,528	5,580	82,974	99,042	(16,068)	(16.2%)	97,151	(14,177)	(14.6%)
Units Shipped ('000)	7,842	6,982	7,690	5,019	6,548	9,246	9,550	9,146	6,828	7,674	6,428	4,198	87,151	99,426	(12,275)	(12.3%)	96,500	(9,349)	(9.7%)
Bookings (\$'000)	\$ 13,481	\$ 12,476	\$ 12,818	\$ 7,719	\$ 12,396	\$ 17,281	\$ 17,726	\$ 13,007	\$ 12,761	\$ 12,926	\$ 11,465	\$ 6,682	\$ 150,738	\$ 173,296	\$ (22,558)	(13.0%)	\$ 162,586	\$ (11,848)	(7.3%)
Backlog ('\$000)	\$ 9,606	\$ 10,369	\$ 10,608	\$ 10,199	\$ 12,165	\$ 14,016	\$ 16,140	\$ 9,860	\$ 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	\$ 15,511	\$ 12,385	\$ 13,388	\$ 11,484	\$ 7,311	\$ 148,440	\$ 173,563	\$ (25,123)	(14.5%)	\$ 166,852	\$ (18,412)	(11.0%)
Adj. to Gross Revenue	(576)	(607)	(676)	(396)	(562)	(585)	(790)	(773)	(753)	(796)	(663)	(349)	(7,525)	(9,009)	1,484	(16.5%)	(8,598)	1,073	(12.5%)
Net Revenue	11,905	11,463	11,932	7,990	10,211	15,266	15,402	14,738	11,632	12,591	10,821	6,962	140,915	164,554	(23,639)	(14.4%)	158,254	(17,339)	(11.0%)
Material	5,974	5,389	5,614	4,259	5,305	7,515	7,990	7,669	5,907	6,359	5,531	3,244	70,757	81,128	(10,371)	(12.8%)	77,754	(6,997)	(9.0%)
Labor	3,012	2,898	2,654	1,712	1,681	1,948	2,803	2,847	2,760	2,755	2,563	2,419	30,053	35,452	(5,399)	(15.2%)	35,294	(5,241)	(14.8%)
Other COGS	1,395	1,272	1,621	1,445	1,972	2,255	2,438	2,184	1,592	1,588	1,480	449	19,690	18,534	1,156	6.2%	18,632	1,058	5.7%
Total COGS	10,381	9,559	9,889	7,416	8,959	11,718	13,231	12,701	10,259	10,702	9,574	6,111	120,500	135,114	(14,614)	(10.8%)	131,680	(11,180)	(8.5%)
Gross Margin	1,525	1,904	2,043	575	1,253	3,548	2,171	2,037	1,374	1,889	1,247	851	20,415	29,440	(9,025)	(30.7%)	26,574	(6,159)	(23.2%)
Gross Margin %	12.8%	16.6%	17.1%	7.2%	12.3%	23.2%	14.1%	13.8%	11.8%	15.0%	11.5%	12.2%	14.5%	17.9%			16.8%		
R&D	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Sales & Marketing	490	470	512	291	240	304	378	401	430	417	423	413	4,769	6,505	(1,735)	(26.7%)	6,659	(1,890)	(28.4%)
Administrative	948	798	757	736	579	568	741	738	771	767	745	768	8,917	11,012	(2,096)	(19.0%)	10,335	(1,419)	(13.7%)
Other Opex	5	13	154	(78)	(13)	(81)	(941)	(32)	(5)	(20)	0	23	(974)	(112)	(862)	766.9%	(291)	(683)	234.8%
Total Opex	1,443	1,282	1,424	949	806	791	179	1,107	1,196	1,165	1,167	1,204	12,712	17,405	(4,693)	(27.0%)	16,704	(3,992)	(23.9%)
EBITDA	82	623	619	(374)	447	2,758	1,992	930	177	725	80	(353)	7,704	12,036	(4,332)	(36.0%)	9,870	(2,167)	(22.0%)
EBITDA %	0.7%	5.4%	5.2%	(4.7%)	4.4%	18.1%	12.9%	6.3%	1.5%	5.8%	0.7%	(5.1%)	5.5%	7.3%			6.2%		
Net Income (Loss)	\$ (1,509)	\$ (1,003)	\$ (1,834)	\$ (890)	\$ (225)	\$ 1,779	\$ 1,334	\$ (185)	\$ (899)	\$ (403)	\$ (970)	\$ (1,183)	\$ (5,988)	\$ (3,497)	\$ (2,490)	71.2%	\$ (1,971)	\$ (4,017)	203.8%
Capex	\$ (228)	\$ (219)	\$ (237)	\$ (116)	\$ (233)	\$ (241)	\$ (175)	\$ (339)	\$ (338)	\$ (339)	\$ (338)	\$ (331)	\$ (3,134)	\$ (6,501)	\$ 3,367	(51.8%)	\$ (6,807)	\$ 3,673	(54.0%)
Opex Overview:																			
Payroll	\$ 833	\$ 734	\$ 814	\$ 617	\$ 470	\$ 507	\$ 744	\$ 690	\$ 750	\$ 753	\$ 709	\$ 763	\$ 8,383	\$ 10,185	\$ (1,802)	(17.7%)	\$ 9,929	\$ (1,546)	(15.6%)
Bonus	62	62	15	60	21	21	22	21	21	21	21	21	369	740	(371)	(50.1%)	62	307	493.9%
Commissions	29	17	36	25	12	13	15	17	17	16	13	13	223	273	(50)	(18.4%)	247	(24)	(9.7%)
Marketing	53	66	70	68	60	85	74	88	69	64	88	64	849	1,098	(249)	(22.7%)	1,596	(747)	(46.8%)
Benefits	—	—	—	—	—	—	(854)	—	—	—	—	—	(854)	—	(854)	N/A	—	(854)	N/A
Travel and entertainment	69	48	48	8	13	5	11	48	54	45	54	47	451	1,145	(694)	(60.6%)	1,069	(618)	(57.8%)
Rent and facilities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Insurance	24	22	19	19	17	25	28	26	24	24	22	21	271	333	(62)	(18.6%)	317	(46)	(14.5%)
Professional fees	54	80	57	52	37	35	37	39	45	44	44	41	566	591	(25)	(4.3%)	671	(105)	(15.7%)
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	138	137	134	134	134	1,599	1,881	(283)	(15.0%)	1,860	(261)	(14.1%)
Bad Debts	31	33	(0)	(2)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	60	(4)	63	(1753.3%)	174	(114)	(65.7%)
FX	36	29	161	(57)	(37)	(37)	(60)	—	—	—	—	—	36	—	36	N/A	(145)	181	(124.5%)
JV Loss (Income)	(31)	(15)	(7)	(21)	24	(45)	(27)	(32)	(5)	(20)	0	23	(156)	(112)	(43)	38.5%	(146)	(10)	6.8%
Other Expenses	109	47	69	38	42	51	38	59	63	63	63	60	701	1,013	(311)	(30.7%)	814	(113)	(13.8%)
Total Opex	\$ 1,443	\$ 1,282	\$ 1,424	\$ 949	\$ 806	\$ 791	\$ 179	\$ 1,107	\$ 1,196	\$ 1,165	\$ 1,167	\$ 1,204	\$ 12,712	\$ 17,405	\$ (4,693)	(27.0%)	\$ 16,704	\$ (3,992)	(23.9%)

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	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
EBITDA - as reported	\$ 82	\$ 623	\$ 619	\$ (374)	\$ 447	\$ 2,758	\$ 1,992	\$ 930	\$ 177	\$ 725	\$ 80	\$ (353)	\$ 7,704	\$12,036	\$ (4,332)	(36.0%)	\$ 9,870	\$ (2,167)	(22.0%)
Depreciation and amortization	(814)	(805)	(788)	(751)	(745)	(754)	(764)	(803)	(810)	(804)	(810)	(818)	(9,466)	(9,739)	273	(2.8%)	(9,017)	(450)	5.0%
Interest and amortization	(156)	(164)	(157)	(134)	(118)	(125)	(112)	(133)	(133)	(130)	(129)	(128)	(1,619)	(2,622)	1,003	(38.3%)	(2,158)	540	(25.0%)
Other financial income/expense	(367)	(311)	(1,371)	450	222	193	420	—	—	—	—	—	(765)	—	(765)	N/A	1,044	(1,808)	(173.3%)
Monitoring fees (including expenses)	(83)	(73)	(78)	(82)	(81)	(85)	(85)	(81)	(81)	(79)	(79)	(79)	(966)	(1,000)	34	(3.4%)	(1,073)	107	(9.9%)
Restructuring costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	46	(46)	(100.0%)
Non-recurring items	(170)	(203)	(124)	(3)	(4)	(28)	(3)	(4)	(4)	(4)	(4)	(4)	(555)	(816)	261	(31.9%)	(1,249)	693	(55.5%)
Taxes	—	(68)	65	4	55	(180)	(114)	(94)	(49)	(111)	(27)	199	(320)	(1,357)	1,037	(76.4%)	566	(886)	(156.5%)
GAAP Net Income (Loss)	\$ (1,509)	\$ (1,003)	\$ (1,834)	\$ (890)	\$ (225)	\$ 1,779	\$ 1,334	\$ (185)	\$ (899)	\$ (403)	\$ (970)	\$ (1,183)	\$ (5,988)	\$ (3,497)	\$ (2,490)	71.2%	\$ (1,971)	\$ (4,017)	203.8%

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 1.3655 [USD\$0.72] on June 30, 2020 to 1.3418 [USD\$0.74] on July 31, 2020
- Non-recurring in July for Legal fee \$3K
- Tax accrual of \$114K in the US on account of income in the US entity for July; 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	Fcst	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	\$ 7,535	\$ 5,693	\$ 6,227	\$ 5,312	\$ 2,983	\$ 70,149	\$ 79,561	\$ (9,412)	(11.8%)	\$ 76,642	\$ (6,492)	(8.5%)
Materials FX loss / (gain)	0	1	(1)	0	0	0	0	0	0	0	—	—	1	0	0	63.8%	1	(1)	(52.4%)
Purchase price variance	(85)	(182)	26	76	248	66	(56)	168	228	209	267	233	1,198	3,099	(1,902)	(61.4%)	2,184	(986)	(45.2%)
Supplier resin rebate	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Freight In	45	53	33	34	23	33	36	41	46	46	45	35	469	585	(116)	(19.9%)	546	(77)	(14.2%)
Scrap costs	(158)	(206)	(241)	(26)	(152)	(220)	(140)	(153)	(141)	(206)	(171)	(65)	(1,880)	(3,263)	1,382	(42.4%)	(2,628)	747	(28.4%)
Consumables	63	70	86	44	52	61	62	80	82	84	79	58	821	1,144	(323)	(28.3%)	1,009	(188)	(18.6%)
Total Material COGS	\$ 5,974	\$ 5,389	\$ 5,614	\$ 4,259	\$ 5,305	\$ 7,515	\$ 7,990	\$ 7,669	\$ 5,907	\$ 6,359	\$ 5,531	\$ 3,244	\$ 70,757	\$ 81,128	\$ (10,371)	(12.8%)	\$ 77,754	\$ (6,997)	(9.0%)
Labor																			
Direct labor	\$ 1,007	\$ 983	\$ 920	\$ 486	\$ 710	\$ 963	\$ 1,088	\$ 1,092	\$ 1,012	\$ 1,011	\$ 933	\$ 826	\$ 11,031	\$ 12,677	\$ (1,646)	(13.0%)	\$ 12,838	\$ (1,808)	(14.1%)
Direct labor - bonus	29	28	9	27	10	9	10	10	10	9	9	9	170	333	(163)	(49.0%)	116	53	45.9%
Direct labor - overtime	103	147	90	26	30	56	130	150	125	122	90	86	1,155	1,489	(334)	(22.4%)	1,376	(221)	(16.1%)
Direct labor - benefits	304	243	241	219	48	(44)	253	252	237	233	216	205	2,407	3,203	(796)	(24.9%)	3,074	(667)	(21.7%)
Direct labor - wcb benefits	7	30	21	8	16	16	20	23	20	20	18	18	217	250	(33)	(13.1%)	47	170	357.4%
Direct labor - other	(1)	0	(0)	(0)	(0)	1	(1)	—	—	—	—	—	(2)	13	(15)	(114.6%)	(9)	7	(78.9%)
Indirect labor	1,534	1,439	1,365	918	858	938	1,292	1,312	1,347	1,351	1,288	1,265	14,906	17,135	(2,230)	(13.0%)	17,711	(2,805)	(15.8%)
Indirect labor – bonus	29	28	9	27	10	9	10	10	10	9	9	9	170	333	(163)	(49.0%)	116	53	45.9%
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	\$ 2,847	\$ 2,760	\$ 2,755	\$ 2,563	\$ 2,419	\$ 30,053	\$ 35,452	\$ (5,399)	(15.2%)	\$ 35,294	\$ (5,241)	(14.8%)
Other																			
Repairs and maintenance	\$ 118	\$ 221	\$ 99	\$ 76	\$ 101	\$ 78	\$ 184	\$ 154	\$ 123	\$ 137	\$ 114	\$ 111	\$ 1,516	\$ 645	\$ 871	134.9%	\$ 666	\$ 849	127.5%
Absorption	(235)	(461)	(20)	348	705	758	444	382	(77)	(85)	(114)	(775)	872	(1,260)	2,131	(169.2%)	(605)	1,477	(244.0%)
Freight out	669	643	608	337	405	642	721	684	572	588	519	331	6,717	7,792	(1,074)	(13.8%)	7,990	(1,273)	(15.9%)
Rent / facilities	143	207	197	247	218	139	151	274	295	261	294	227	2,652	2,467	185	7.5%	1,981	671	33.9%
Utilities	505	451	542	299	388	480	514	518	491	512	501	414	5,615	6,491	(876)	(13.5%)	6,194	(579)	(9.3%)
Other cost of sales	195	211	195	138	155	157	424	173	189	174	166	141	2,318	2,399	(80)	(3.3%)	2,406	(88)	(3.7%)
Total Other COGS	\$ 1,395	\$ 1,272	\$ 1,621	\$ 1,445	\$ 1,972	\$ 2,255	\$ 2,438	\$ 2,184	\$ 1,592	\$ 1,588	\$ 1,480	\$ 449	\$ 19,690	\$ 18,534	\$ 1,156	6.2%	\$ 18,632	\$ 1,058	5.7%

Management Discussion

Material COGS: Decrease of \$10,371K due to lower volume impact of \$10,608K (Sales volumes (lbs) lower by 12.3%), favorable resin material prices & supplier rebates offset by higher additive pricing & higher glass pricing of \$1,275K and favorable inventory reserves of \$347K; offset by unfavorable yields & lower regrind usage at Woodbridge/Delmont/Everett of \$1,385K

Labor COGS: Lower costs due to a volume impact of \$3,801K (production volume lbs lower by 16.2%), 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 \$320K, 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 \$1,156K due to an unfavorable absorption impact of \$2,490K, lower tool & die overhead recovery of \$1,386K and a warranty accrual for field issue failures of \$244K; partially offset by lower freight costs of \$1,074K due to lower sales volume & mix, lower utilities of \$876K as a result of reduced production levels and lower overhead spending (ie. supplies, maintenance, rentals) of \$1,014K

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	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
Current Assets																
Cash and cash equivalents	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 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	15,210	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)	(458)	(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	14,751	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	25,493	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)	(1,616)	(1,613)	(1,791)	(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	23,702	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	3,886	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	722	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	43,064	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	73,934	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)	(32,402)	(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	41,532	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	275	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	1,315	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	2,823	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	45,945	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	\$ 89,010	\$ 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	\$ 7,664	\$ 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	1,620	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	16,439	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	3,182	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	3,295	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)	655	704	815	842	643	643	(288)	931	(323.6%)
Contingent consideration	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
Other current liabilities	107	100	95	84	71	69	68	153	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	33,008	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	9,249	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	9,336	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	1,519	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	20,105	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	53,112	54,261	53,552	52,517	49,818	49,818	56,643	(6,825)	(12.0%)
Commitments and contingencies																
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	24,330	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)	(1,042)	(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	35,897	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	\$ 89,010	\$ 89,260	\$ 88,126	\$ 86,121	\$ 82,239	\$ 82,239	\$ 96,495	\$ (14,256)	(14.8%)

Balance Sheet – Year on Year Comparison

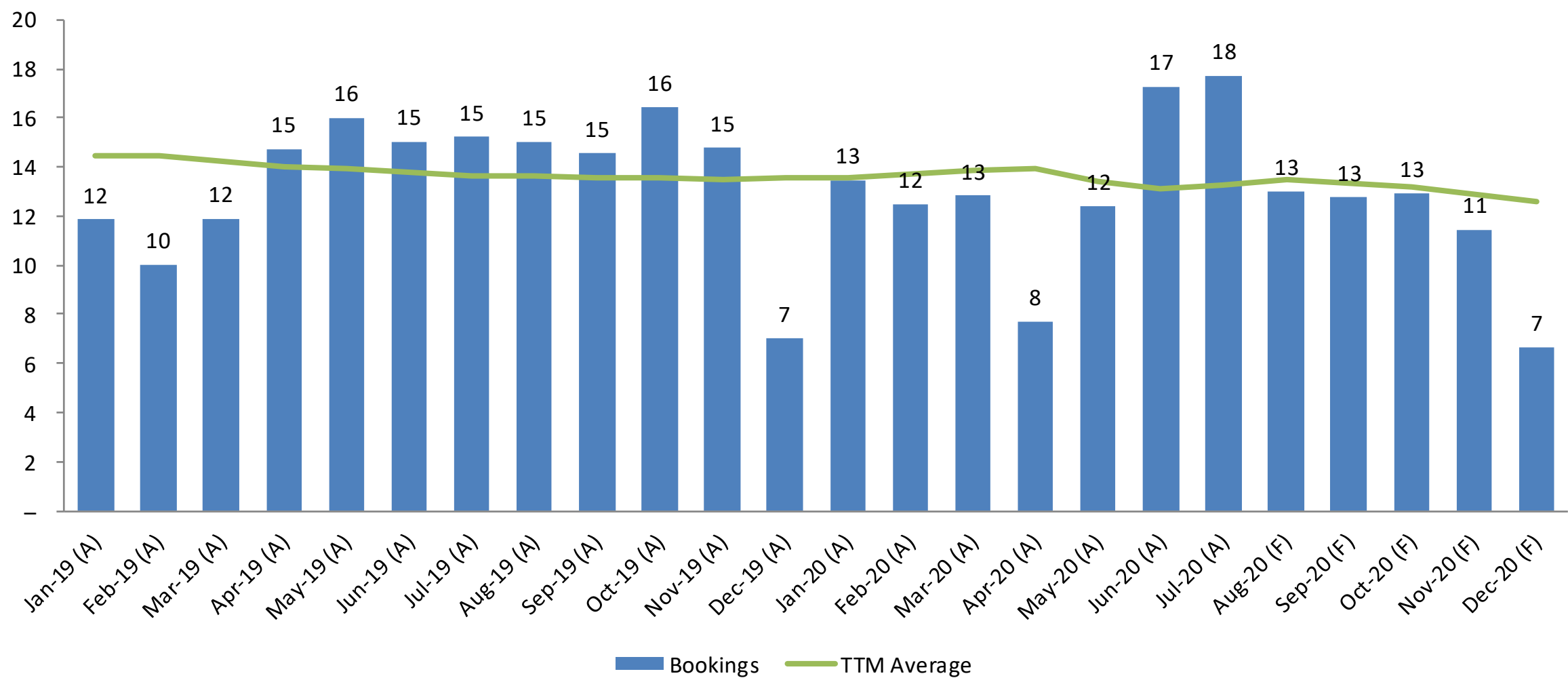
\$'000	YTD		Variance	
	CY	PY	\$	%
<u>Current Assets</u>				
Cash and cash equivalents	\$ 3	\$ 3	\$ (0)	(6.1%)
Short term investments	–	–	–	N/A
<i>Accounts receivable, gross</i>	13,841	13,673	168	1.2%
<i>Accounts receivable, reserves</i>	(607)	(477)	(129)	27.1%
Accounts receivable, net	13,234	13,196	38	0.3%
<i>Inventory, gross</i>	22,629	34,503	(11,874)	(34.4%)
<i>Inventory, reserves</i>	(1,613)	(1,797)	185	(10.3%)
Inventory, net	21,016	32,705	(11,689)	(35.7%)
Prepaid expenses and other current assets	4,229	4,257	(27)	(0.6%)
Other current assets	1,521	1,026	495	48.2%
Total Current Assets	40,003	51,187	(11,183)	(21.8%)
<u>Non-Current Assets</u>				
<i>Property, plant & equipment, gross</i>	73,719	70,321	3,397	4.8%
<i>Accumulated depreciation</i>	(32,224)	(23,152)	(9,072)	39.2%
Property, plant & equipment, net	41,495	47,169	(5,675)	(12.0%)
Deferred financing cost	297	464	(168)	(36.1%)
Deferred tax asset	4,569	2,963	1,606	54.2%
Other non-current assets	2,901	2,791	109	3.9%
Total Non-Current Assets	49,261	53,388	(4,126)	(7.7%)
Total Assets	\$ 89,265	\$ 104,574	\$ (15,310)	(14.6%)
<u>Current Liabilities</u>				
Bank Debt	\$ 3,827	\$ 17,338	\$ (13,511)	(77.9%)
Current Portion - Long Term Debt	1,650	1,676	(27)	(1.6%)
Accounts payable	18,204	15,146	3,057	20.2%
Accrued liabilities	3,253	3,513	(260)	(7.4%)
Accrued compensation	3,558	3,435	124	3.6%
Income taxes payable	(204)	46	(250)	(546.1%)
Contingent consideration	–	1,301	(1,301)	(100.0%)
Other current liabilities	68	127	(59)	(46.5%)
Total Current Liabilities	30,355	42,582	(12,227)	(28.7%)
<u>Long-term liabilities</u>				
Long-term debt less current maturities	9,563	11,403	(1,840)	(16.1%)
Deferred income taxes	10,437	9,756	681	7.0%
Other non-current liabilities	1,628	1,591	36	2.3%
Total Long-Term Liabilities	21,629	22,751	(1,122)	(4.9%)
Total Liabilities	51,984	65,333	(13,349)	(20.4%)
Commitments and contingencies	–	–	–	N/A
<u>Shareholders' Equity</u>				
Common stock	12,610	12,610	–	0.0%
Retained earnings	25,749	27,505	(1,756)	(6.4%)
Accumulated other comprehensive income	(1,078)	(873)	(205)	23.4%
Total Shareholders' Equity	37,281	39,241	(1,961)	(5.0%)
Total Liabilities and Shareholders' Equity	\$ 89,265	\$ 104,574	\$ (15,310)	(14.6%)

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	Fcst	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	\$ (185)	\$ (899)	\$ (403)	\$ (970)	\$ (1,183)	\$ (5,988)	\$ (3,497)	\$ (2,490)	71.2%	\$ (1,971)	\$ (4,017)	203.8%
Depreciation, amortization and other	814	805	788	751	745	754	764	803	810	804	810	818	9,466	9,739	(273)	(2.8%)	9,017	450	5.0%
Non-cash loss/expense (gain)	408	153	(6)	(248)	(97)	(115)	(151)	(1,917)	(487)	379	113	28	(1,939)	(826)	(1,112)	134.6%	(154)	(1,784)	1158.2%
Deferred income tax	(325)	(57)	460	77	43	38	10	2,153	–	(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	(1,517)	328	(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	(2,686)	(422)	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)	1,142	(134)	(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	(1,765)	(740)	(158)	(446)	(1,911)	510	711	(201)	(28.3%)	(35)	546	(1541.8%)
Accrued expenses	1,162	(141)	105	(202)	695	(252)	686	(334)	246	(140)	(296)	(610)	918	1,430	(512)	(35.8%)	(1,106)	2,024	(183.0%)
Accrued income taxes	–	68	(65)	(12)	(53)	180	(34)	860	49	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)	85	(1)	(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	\$ (3,363)	\$ (1,251)	\$ 541	\$ 665	\$ 316	\$ 9,933	\$ 4,539	\$ 5,393	118.8%	\$ 4,246	\$ 5,687	134.0%
Cash flow from investing																			
Additions to property, plant and equipment	\$ (228)	\$ (219)	\$ (237)	\$ (116)	\$ (233)	\$ (241)	\$ (175)	\$ (339)	\$ (338)	\$ (339)	\$ (338)	\$ (331)	\$ (3,134)	\$ (6,501)	\$ 3,367	(51.8%)	\$ (6,807)	\$ 3,673	(54.0%)
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)	\$ (339)	\$ (338)	\$ (339)	\$ (338)	\$ (331)	\$ (3,134)	\$ (6,501)	\$ 3,367	(51.8%)	\$ (6,807)	\$ 3,673	(54.0%)
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)	\$ 3,837	\$ 1,724	\$ (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	(100.2%)
Repayment of debt	(140)	(138)	(132)	(133)	(135)	(136)	(137)	(135)	(135)	(133)	(133)	(133)	(1,619)	(1,662)	42	(2.5%)	(1,665)	46	(2.7%)
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)	\$ 3,701	\$ 1,589	\$ (202)	\$ (326)	\$ 15	\$ (6,799)	\$ 1,961	\$ (8,760)	(446.7%)	\$ 2,565	\$ (9,364)	(365.1%)
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)	\$ (0)	\$ (0)	\$ 0	\$ 0	\$ (0)	\$ (0)	\$ (0)	19.1%	\$ 3	\$ (3)	(112.2%)
Beginning cash	3	3	3	3	3	3	3	3	2	2	2	3	3	3	0	0.0%	0	\$ 3	815681.2%
Change in cash	(0)	(0)	(0)	0	0	0	0	(0)	(0)	(0)	0	0	(0)	(0)	(0)	19.1%	3	\$ (3)	(112.2%)
Ending cash	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ (0)	(2.2%)	\$ 3	\$ (0)	(12.2%)

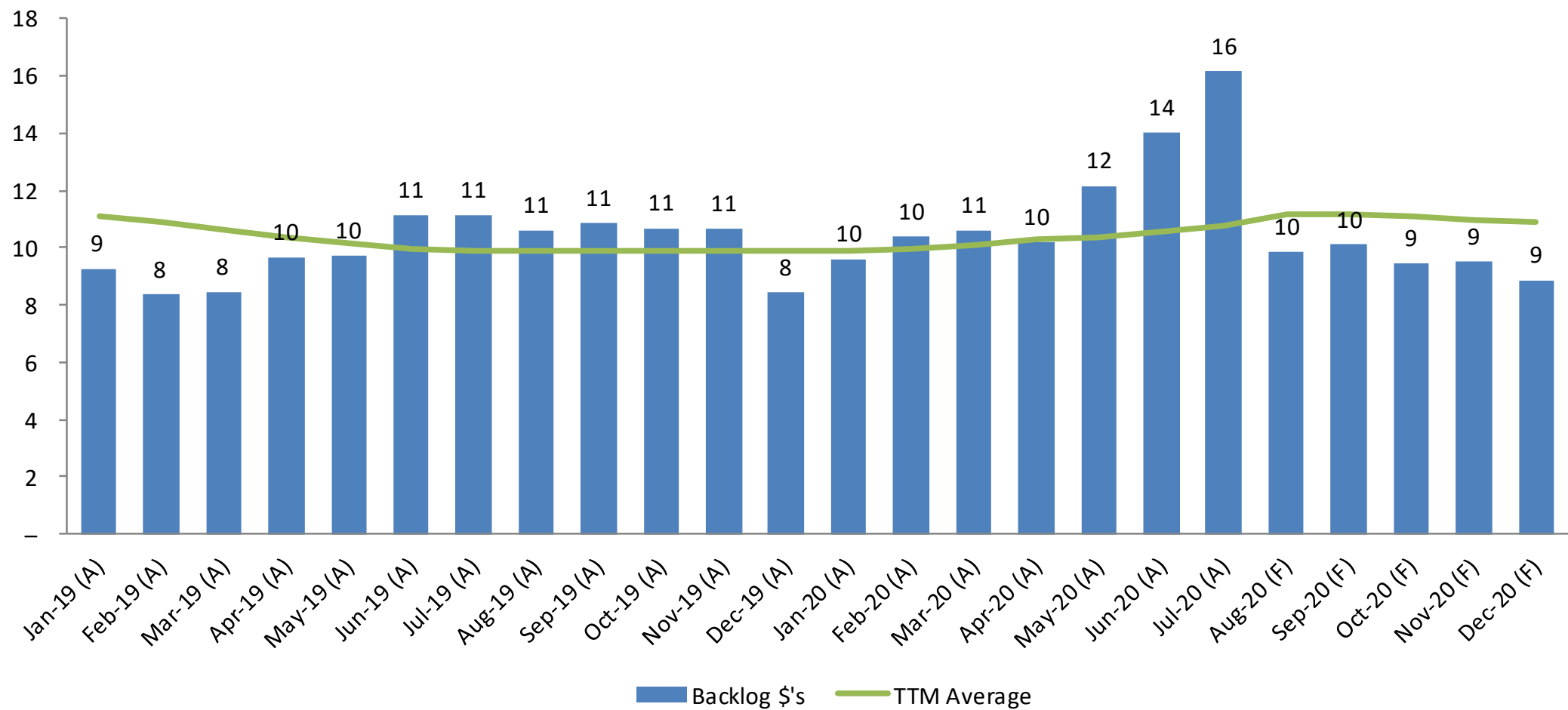
Trended Monthly Bookings

\$ in millions

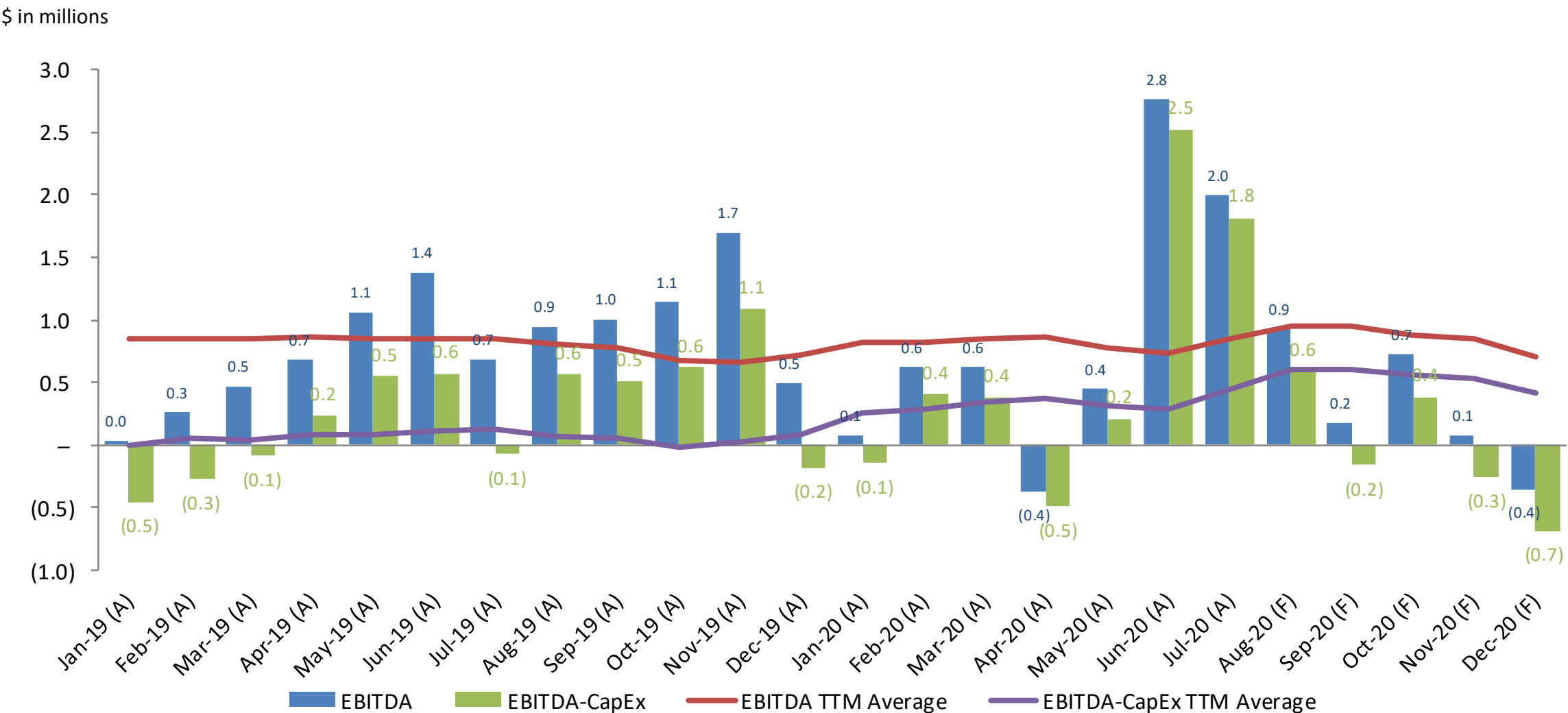


Trended Monthly Backlog

\$ in millions

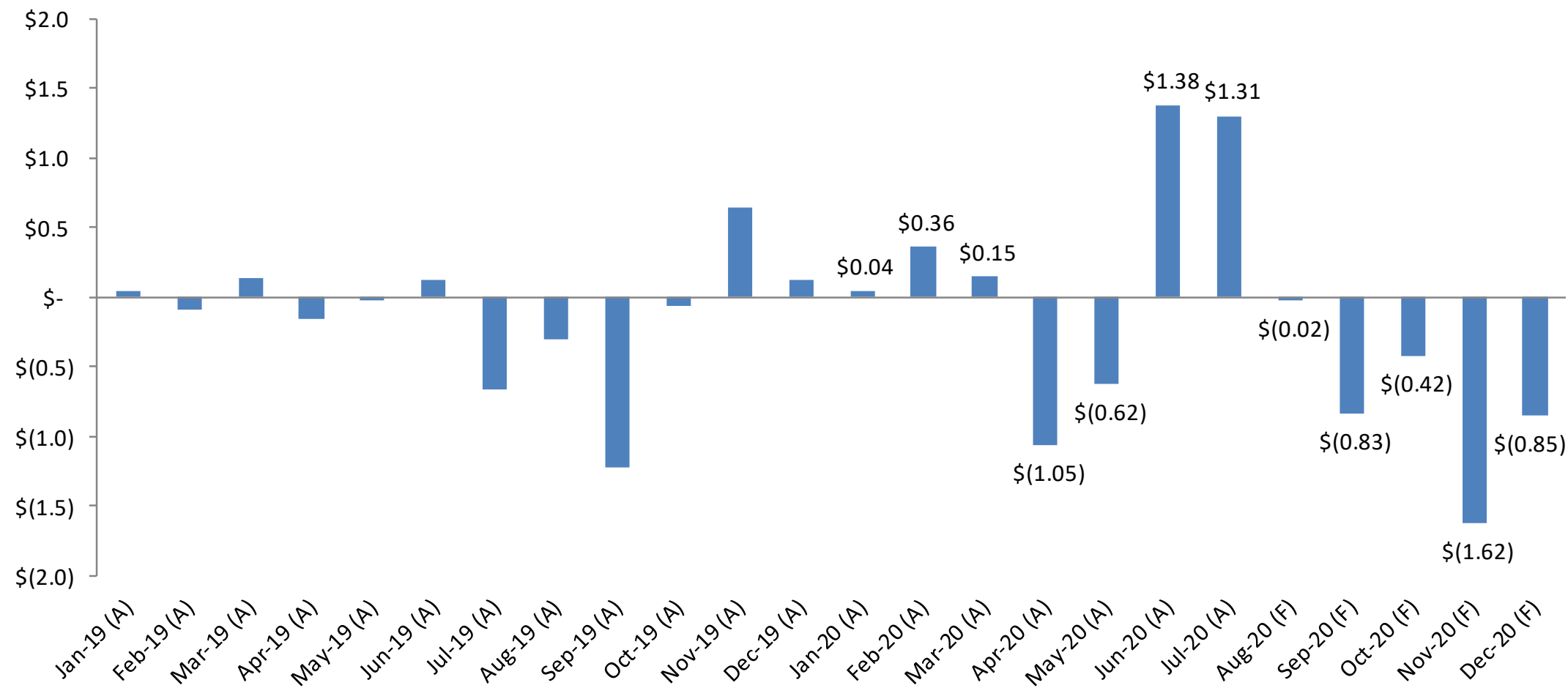


EBITDA and EBITDA-CapEx



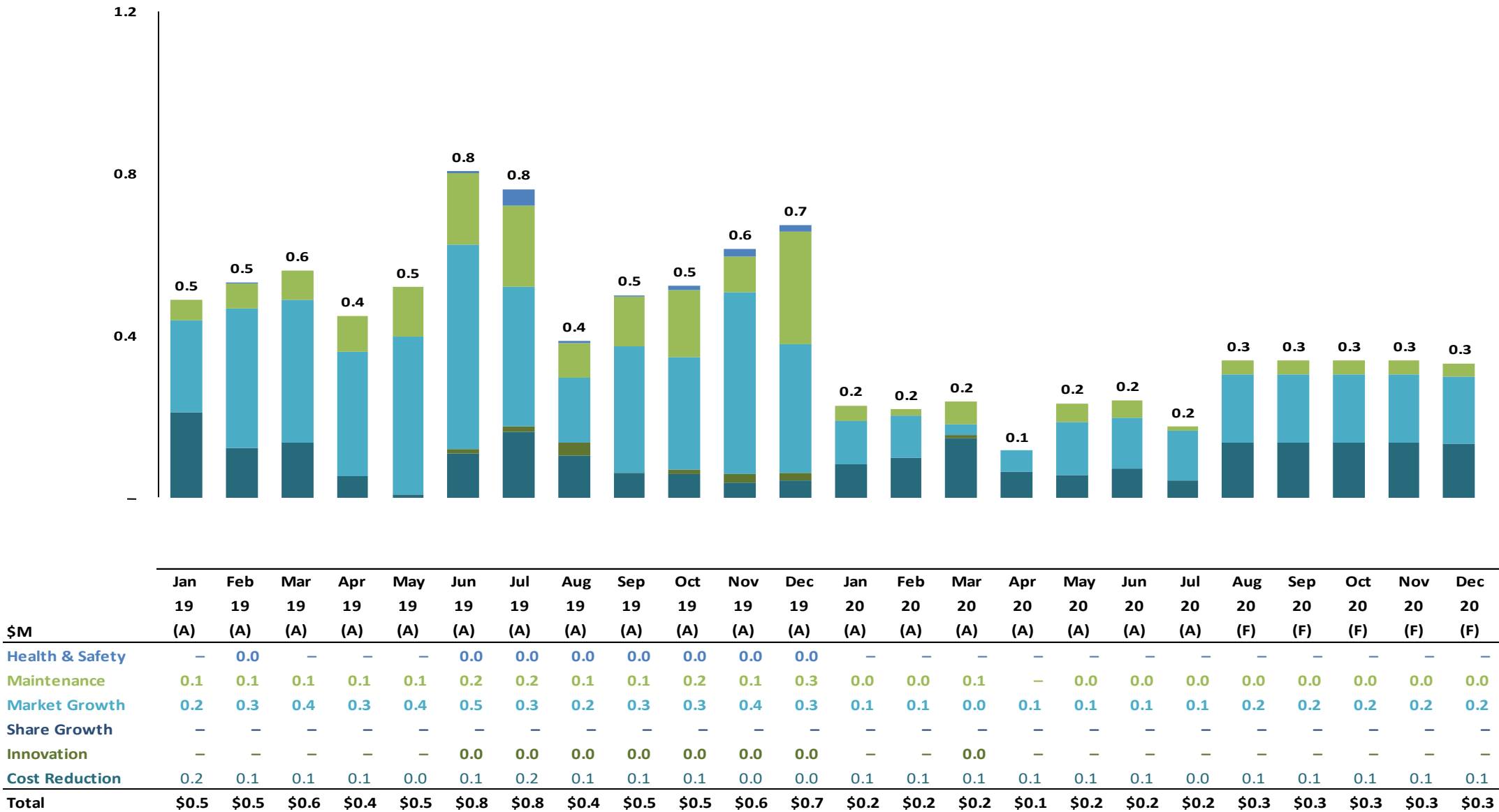
Y-o-Y \$ EBITDA Change

\$ 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)	300	125	78	34	11	23	57	–	628	107	735	783	(48)
2020 August (F)	312	126	81	36	10	25	60	–	650	71	721	780	(60)
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 July in addition to hiring of temps as plants increased production.

Headcount Hires and Attrition

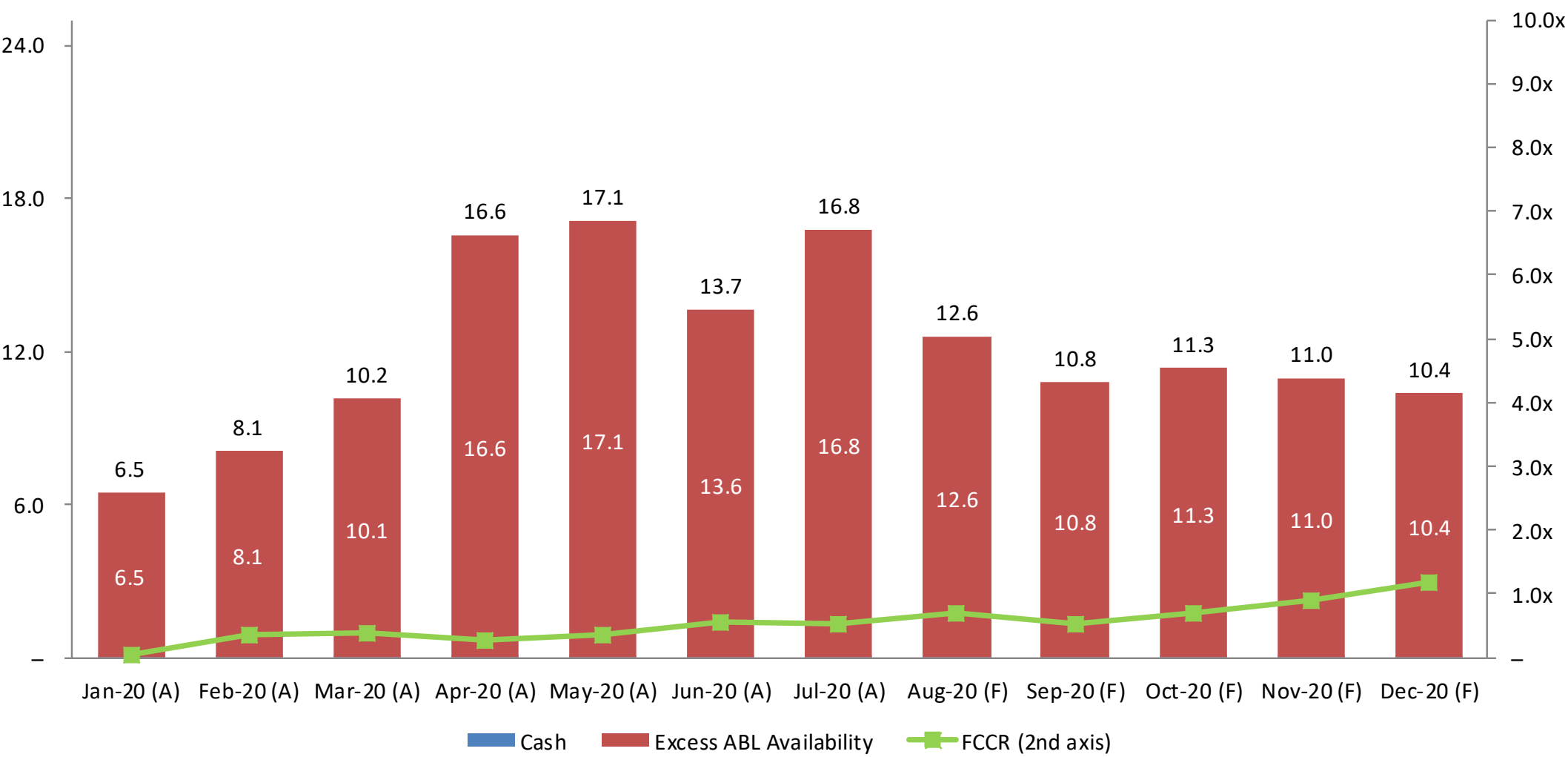
Functional Area	Start of Month	Hires	Transfers	Involuntary Term	Voluntary Term	End of Month	Rfc Headcount	Difference to Rfc
Direct Labor	280	6	20	(3)	(3)	300	345	45
Indirect Labor - Hourly	118	–	10	(1)	(2)	125	153	28
Indirect Labor - Salary	73	1	4	–	–	78	83	5
Delivery & Dist.	31	–	3	–	–	34	37	3
Research & Development	10	–	1	–	–	11	11	-
Sales & Marketing	23	–	1	(1)	–	23	25	2
Administrative	55	–	3	(1)	–	57	63	6
Other	-	–	–	–	–	-	-	-
Agency FTE & Temps	71	16	22	–	(2)	107	66	(41)
Total	661	23	64	(6)	(7)	735	783	48

Management Discussion

- Woodbridge – Approximately 20 employees returned to work after being laid off together with additional temporary workers
- Delmont – Aaron Anthony and some hourly employees returned back to work after being laid off (approx. 6 employees)
- Everett – Approximately 8 employees returned back from furlough
- Laval - 5 employees returned back to work after being laid off and we 5 additional temporary workers were hired for production
- Terrebonne – Added approximately 21 temporary workers; also hired Eddy Voet as the Production Manager
- Corporate – Return to work for Mohammed Bengulla and Gordon Case; Transfer of Diane Loisel to Terrebonne

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)	3,350	2,985	365	12.2%	15,347	19,188	(3,841)	(20.0%)
Units Shipped ('000)	3,586	3,148	438	13.9%	16,866	18,019	(1,153)	(6.4%)
Bookings (\$'000)	\$ 5,189	\$ 4,034	\$ 1,155	28.6%	\$ 23,611	\$ 22,727	\$ 884	3.9%
Backlog (\$'000)	\$ 3,550	\$ 2,242	\$ 1,308	58.3%	\$ 3,550	\$ 2,242	\$ 1,308	58.3%
Gross Revenue	\$ 5,160	\$ 4,372	\$ 788	18.0%	\$ 23,848	\$ 24,884	\$ (1,036)	(4.2%)
Adj. to Gross Revenue	(251)	(257)	6	(2.2%)	(1,174)	(1,343)	170	(12.6%)
Net Revenue	4,908	4,115	794	19.3%	22,675	23,541	(866)	(3.7%)
Material	3,286	2,571	715	27.8%	15,027	15,082	(54)	(0.4%)
Labor	811	871	(60)	(6.9%)	4,214	5,664	(1,450)	(25.6%)
Other COGS	440	270	171	63.3%	2,316	886	1,430	161.3%
Total COGS	4,537	3,711	826	22.3%	21,557	21,632	(75)	(0.3%)
Gross Margin	371	403	(32)	(8.0%)	1,118	1,909	(791)	(41.5%)
Gross Margin %	7.6%	9.8%			4.9%	8.1%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	18	20	(2)	(11.4%)	120	134	(14)	(10.3%)
Administrative	307	324	(18)	(5.4%)	2,161	2,243	(82)	(3.7%)
Other Opex	(291)	(8)	(283)	3336.8%	(451)	(60)	(391)	654.1%
Total Opex	33	336	(303)	(90.1%)	1,830	2,317	(487)	(21.0%)
EBITDA	338	67	270	401.1%	(712)	(408)	(304)	74.4%
EBITDA %	6.9%	1.6%			(3.1%)	(1.7%)		
Net Income (Loss)	\$ 96	\$ (170)	\$ 266	(156.2%)	\$ (2,383)	\$ (2,072)	\$ (311)	15.0%
Capex	\$ (45)	\$ (31)	\$ (14)	46.3%	\$ (439)	\$ (1,365)	\$ 927	(67.9%)
Opex Overview:								
Payroll	\$ 49	\$ 62	\$ (13)	(21.3%)	\$ 308	\$ 409	\$ (101)	(24.7%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	6	7	(1)	(11.3%)	56	46	11	23.1%
Benefits	(285)	—	(285)	N/A	(285)	—	(285)	N/A
Travel and entertainment	0	1	(1)	(91.7%)	6	4	2	44.7%
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	3	4	(1)	(17.9%)	23	22	1	3.6%
Professional fees	—	1	(1)	(100.0%)	47	6	41	744.5%
Utilities, repair, maintenance, an	2	3	(0)	(13.0%)	11	18	(7)	(37.9%)
Corporate OH Fees	264	267	(3)	(1.0%)	1,832	1,871	(38)	(2.1%)
Bad Debts	(0)	(0)	0	(0.0%)	(3)	(2)	(1)	39.4%
FX	21	—	21	N/A	(44)	—	(44)	N/A
JV Loss (Income)	(27)	(8)	(19)	221.5%	(122)	(60)	(63)	104.5%
Other Expenses	0	1	(1)	(79.5%)	0	4	(4)	(92.8%)
Total Opex	\$ 33	\$ 336	\$ (303)	(90.1%)	\$ 1,830	\$ 2,317	\$ (487)	(21.0%)

Management Discussion

Net Revenue – Jul-20: +\$794K:

- Sales volume increased by 13.9% or \$572k due to increase in regrind sales \$122k and demand across majority of the customers including Royal Vinylbilt, Vinyl-Pro, Quaker, Centennial, Windsor, Vinylbilt and PGT.
- Favorable rebates/accruals \$13k due to majority of the sales increases from customers not in the rebate program
- Lower returns by \$28k. Less larger value claims than usual
- Favorable product/customer mix of \$225k mainly driven by regrind sales, sales to PGT and Quaker
- Unfavorable F/X of \$45k (actual rate of 1.3499 [or \$USD 0.74] vs. 1.33 [or \$USD 0.7519])

EBITDA – Jul-20: +\$270K:

- Material COGS:** Increased costs by \$715k primarily driven by increased sales volume \$358k, unfavorable product mix \$155k (regrind sales impacting \$/lb), unfavorable yield/MUV by \$119k due to lower yield (actual 86.74% vs budget 88.2%) and lower regrind usage (13.32% vs 20.06% - 260k lbs less regrind usage), higher finished good scrap \$82k and unfavorable inventory count adjustment \$12k. Offset by favorable E&O/LCM reserve \$8k.
- Labor COGS:** Decreased costs by \$60k. Headcount down significantly due to production slowdown and interruptions due to Covid 19.
- Other COGS:** Increased costs by \$171k driven by lower absorption \$150k and lower T&D recovery \$95k (less tools being cut driven by Covid-19). Increase in factory costs by 12k (Safety supplies) and higher freight by \$9k (increased sales). Offset by lower premises costs \$82k (higher line charges to Eclipse), lower warehouse expenses \$19k (exited disco warehouse).
- Sales and Marketing:** almost inline with budget.
- Administrative:** Decreased costs by \$18k primarily driven by lower wages.
- Other Opex:** Decrease in costs by \$283k due Canadian wage subsidy of \$285k and equity income from JV by \$19K (Income of \$27k vs budgeted income of \$8k) offset by unfavorable F/X revaluation of working capital balances by \$21k

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	Bud	BP	%	Act	BP	%
Customer:																												
Royal Vinylbilt Limited	\$ 1,017	\$ 766	\$ 250	32.7%	\$ 782	\$ 234	30.0%	\$ 5,197	\$ 5,577	\$ (380)	(6.8%)	\$ 5,582	\$ (385)	(6.9%)	(2.8%)	13.0%	(1,584)	(121.8%)	10.4%	(1,325)	(127.3%)	(3.6%)	13.0%	(1,661)	(127.8%)	10.4%	(1,402)	(134.7%)
Quaker Window Products	801	631	170	27.0%	579	222	38.3%	3,850	3,605	245	6.8%	3,246	604	18.6%	16.8%	10.2%	657	64.4%	11.0%	575	52.2%	9.4%	10.2%	(84)	(8.3%)	10.9%	(157)	(14.4%)
Vinyl-Pro Window Systems Inc	569	374	194	51.9%	374	195	52.1%	1,506	1,880	(374)	(19.9%)	1,844	(338)	(18.3%)	3.8%	7.8%	(405)	(51.9%)	8.2%	(442)	(54.1%)	0.6%	7.8%	(719)	(92.2%)	8.2%	(757)	(92.6%)
All Weather Windows Ltd.	297	501	(204)	(40.7%)	398	(102)	(25.5%)	1,407	2,518	(1,112)	(44.1%)	1,946	(540)	(27.7%)	5.4%	19.0%	(1,364)	(71.8%)	18.0%	(1,262)	(70.2%)	6.1%	19.0%	(1,292)	(68.0%)	18.2%	(1,215)	(66.6%)
Windsor Window Co OEM	580	367	213	58.0%	392	187	47.7%	2,908	2,471	436	17.7%	2,439	469	19.2%	22.5%	22.5%	2	0.1%	22.6%	(8)	(0.4%)	19.3%	22.5%	(316)	(14.1%)	21.3%	(197)	(9.3%)
Dashwood Industries Inc	242	246	(4)	(1.5%)	241	1	0.6%	1,347	1,245	102	8.2%	1,198	149	12.4%	9.9%	16.0%	(614)	(38.4%)	17.8%	(797)	(44.7%)	11.5%	16.0%	(451)	(28.2%)	17.8%	(634)	(35.5%)
Energi Terrebonne	195	284	(89)	(31.2%)	203	(8)	(3.9%)	783	1,431	(647)	(45.2%)	1,006	(223)	(22.1%)	(13.0%)	(2.0%)	(1,098)	549.2%	(6.3%)	(665)	104.9%	(16.1%)	(2.0%)	(1,415)	707.4%	(6.4%)	(974)	151.8%
Vinylbilt Windows & Doors Corp	280	148	132	89.0%	217	63	28.9%	1,044	821	223	27.1%	1,171	(127)	(10.9%)	(17.8%)	(15.0%)	(277)	18.4%	(17.4%)	(39)	2.3%	(21.6%)	(15.0%)	(659)	44.0%	(17.5%)	(409)	23.4%
Allsco Windows & Doors Corp	140	234	(94)	(40.3%)	213	(73)	(34.3%)	737	1,065	(328)	(30.8%)	947	(210)	(22.2%)	(16.0%)	(15.0%)	(100)	6.7%	(17.6%)	157	(9.0%)	(20.8%)	(15.0%)	(580)	38.7%	(17.6%)	(317)	18.0%
PGT Industries Inc	180	100	79	79.0%	103	77	74.6%	890	674	216	32.1%	678	212	31.3%	30.1%	5.0%	2,507	501.4%	5.0%	2,507	501.4%	29.9%	5.0%	2,489	497.9%	5.0%	2,489	497.9%
Ostaco 2000 Windoors Inc.	144	110	34	30.9%	150	(5)	(3.7%)	549	532	16	3.1%	699	(150)	(21.5%)	(14.6%)	5.0%	(1,955)	(391.1%)	13.7%	(2,822)	(206.5%)	(1.1%)	5.0%	(605)	(121.0%)	9.2%	(1,022)	(111.5%)
Oran Ltd. (Barbados)	–	72	(72)	(100.0%)	75	(75)	(100.0%)	206	293	(87)	(29.7%)	298	(92)	(30.9%)	#DIV/0!	8.0%	–	#VALUE!	8.0%	NA	#VALUE!	12.4%	8.0%	436	54.5%	8.0%	436	54.5%
Centennial Windows Ltd	95	7	88	1214.9%	9	86	1003.3%	246	233	13	5.7%	272	(26)	(9.5%)	35.5%	33.0%	245	7.4%	39.6%	(411)	(10.4%)	28.9%	33.0%	(408)	(12.4%)	39.6%	(1,064)	(26.9%)
Seymour Windows Ltd	66	48	17	35.6%	79	(13)	(16.9%)	324	247	77	31.1%	396	(72)	(18.1%)	21.5%	19.6%	188	9.6%	19.6%	188	9.6%	9.0%	19.6%	(1,055)	(53.9%)	19.6%	(1,055)	(53.9%)
Kohltech International Ltd	–	78	(78)	(100.0%)	25	(25)	(100.0%)	206	206	(0)	(0.0%)	67	139	208.4%	#DIV/0!	10.0%	–	#VALUE!	10.0%	NA	#VALUE!	(0.8%)	10.0%	(1,077)	(107.7%)	10.0%	(1,077)	(107.7%)
Mason Windows Ltd	27	24	3	10.7%	26	0	1.7%	178	194	(16)	(8.4%)	218	(40)	(18.3%)	(2.7%)	8.0%	(1,067)	(133.3%)	7.7%	(1,036)	(134.7%)	(3.6%)	8.0%	(1,162)	(145.3%)	7.4%	(1,102)	(149.0%)
Integral Windows Systems	43	58	(15)	(25.4%)	65	(21)	(32.9%)	166	204	(38)	(18.6%)	223	(57)	(25.4%)	6.3%	8.0%	(165)	(20.6%)	8.0%	(165)	(20.6%)	6.3%	8.0%	(165)	(20.7%)	7.6%	(128)	(16.8%)
Marlboro Windows	32	47	(14)	(30.9%)	44	(12)	(26.4%)	124	224	(99)	(44.5%)	206	(82)	(39.7%)	15.1%	6.0%	907	151.1%	6.0%	907	151.1%	22.2%	6.0%	1,623	270.4%	6.0%	1,623	270.4%
Hunter Douglas - Colorado - Ship T	–	–	-	N/A	–	-	N/A	63	–	63	N/A	–	63	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	59.1%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Great Lakes Window Inc	10	20	(9)	(47.2%)	22	(12)	(53.6%)	69	118	(49)	(41.7%)	131	(62)	(47.5%)	15.5%	8.0%	755	94.3%	8.0%	755	94.3%	21.1%	8.0%	1,305	163.1%	8.0%	1,305	163.1%
Other	4	256	(252)	(98.4%)	452	(448)	(99.1%)	1,609	1,343	266	19.8%	2,755	(1,146)	(41.6%)	5.4%	3.6%	175	48.3%	(10.1%)	1,547	(153.3%)	1.8%	(106.5%)	10,831	(101.7%)	(37.2%)	3,897	(104.8%)
Total Gross	\$ 5,160	\$ 4,372	\$ 788	18.0%	\$ 4,450	\$ 710	16.0%	\$ 23,848	\$ 24,884	\$ (1,036)	(4.2%)	\$ 25,322	\$ (1,474)	(5.8%)	7.2%	9.2%	(204)	(22.1%)	7.0%	22	3.2%	11.7%	6.7%	508	76.4%	3.6%	812	225.0%

Management Discussion

- Strong month for the plant with significant pickup in sales from various customers.
- Strong month for Royal Vinylbilt, Vinyl Pro, Windsor and All Weather all of which were in the negative so far in 2020, particularly all weather which is the biggest contributor to the miss vs YTD budget
- Quaker and Vinylbilt continue their strong momentum.

Key Performance Indicators - Woodbridge

ENERGI Woodbridge KPI Report	2020 Targets	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	YTD 2020
Health & Safety									
<i>Recordable Incidents</i>	0	0	0	0	0	0	0	0	0
<i>TRIR (Total Recordable Incident Rate)</i>	<1	0.49	0.49	0.50	0.52	0	0	0	0
Quality Performance									
<i>Customer Complaints - per MLBS</i>	3.2	4.0	5.4	3.8	3.9	9.4	3.4	7.8	5.4
<i>Return as % of sales</i>	0.41%	0.38%	0.72%	0.42%	0.62%	0.67%	0.27%	0.22%	0.42%
Delivery Performance									
<i>% on time in full</i>	98.06%	98.86%	99.28%	98.3%	93.63%	87.06%	72.14%	100.00%	92.75%
<i>% by line items</i>	98.06%	98.86%	99.28%	98.3%	93.63%	87.06%	72.14%	84.53%	90.54%
Costs									
<i>Yield</i>	88.0%	85.64%	85.38%	87%	84.13%	86.08%	87.18%	86.7%	86.30%
<i>Alt/Regrind Compound Consumption Ratio</i>	20.0%	20.04%	16.04%	22%	12.45%	17.80%	12.27%	13.3%	16.63%
<i>Direct Labour \$/lb produced</i>	\$0.180	\$ 0.183	\$ 0.200	\$ 0.166	\$ 0.287	\$ 0.102	\$ 0.106	\$ 0.107	\$ 0.149
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.218	\$ 0.231	\$ 0.256	\$ 0.215	\$ 0.729	\$ 0.184	\$ 0.116	\$ 0.111	\$ 0.199
Inventory									
<i>Days - TTM (Trailing 12 Months)</i>	77.8	70	69	68	69	70	67	64	70

Comments

Quality: Large number of very small claims from Allsco and Ostaco for parts damaged during shipping or handling. Two larger claims for Eclipse sink lines from tool age (X0795, V796)

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 inventory - much lower yield in Quadrant 1 due to material issues in the form of pits and dull streaks and shine lines across all lines. Very high levels of scrap in Q1 for pits and surface issues was an increased cost of \$122,000 over normal run rates for scrap in Q1 (12% scrap versus 4% for Q1).

Alt/Regrind: Some shortages of available regrind with less grinding staff - recalled staff to full capacity

Full Year Woodbridge P&L Summary

\$'000	FY		Var		PY	Var	
	Fcst	Bud	\$	%		\$	%
Units Produced ('000)	25,097	31,879	(6,783)	(21.3%)	31,325	(6,228)	(19.9%)
Units Shipped ('000)	27,090	31,414	(4,323)	(13.8%)	30,618	(3,527)	(11.5%)
Bookings (\$'000)	\$ 36,075	\$ 39,734	\$ (3,659)	(9.2%)	\$ 50,018	\$ (13,943)	(27.9%)
Backlog ('\$000)	\$ 1,210	\$ 1,873	\$ (663)	(35.4%)	\$ 3,634	\$ (2,424)	(66.7%)
Gross Revenue	\$ 37,625	\$ 43,492	\$ (5,867)	(13.5%)	\$ 43,467	\$ (5,843)	(13.4%)
Adj. to Gross Revenue	(2,046)	(2,524)	478	(18.9%)	(2,352)	305	(13.0%)
Net Revenue	35,578	40,967	(5,389)	(13.2%)	41,116	(5,538)	(13.5%)
Material	23,322	26,300	(2,977)	(11.3%)	26,670	(3,348)	(12.6%)
Labor	7,427	9,558	(2,131)	(22.3%)	9,592	(2,166)	(22.6%)
Other COGS	3,847	2,123	1,724	81.2%	2,000	1,847	92.4%
Total COGS	34,596	37,980	(3,384)	(8.9%)	38,262	(3,666)	(9.6%)
Gross Margin	982	2,987	(2,005)	(67.1%)	2,853	(1,871)	(65.6%)
Gross Margin %	2.8%	7.3%			6.9%		
R&D	—	—	—	N/A	—	—	N/A
Sales & Marketing	199	227	(28)	(12.4%)	207	(8)	(3.9%)
Administrative	3,668	3,838	(169)	(4.4%)	3,830	(162)	(4.2%)
Other Opex	(459)	(112)	(346)	308.2%	(105)	(354)	338.5%
Total Opex	3,409	3,953	(544)	(13.8%)	3,933	(524)	(13.3%)
EBITDA	(2,427)	(966)	(1,461)	151.3%	(1,080)	(1,347)	124.8%
EBITDA %	(6.8%)	(2.4%)			(2.6%)		
Net Income (Loss)	\$ (5,324)	\$ (3,819)	\$ (1,505)	39.4%	\$ (3,933)	\$ (1,391)	35.4%
Capex	\$ (735)	\$ (1,365)	\$ 631	(46.2%)	\$ (2,083)	\$ 1,348	(64.7%)
Opex Overview:							
Payroll	\$ 564	\$ 690	\$ (127)	(18.4%)	\$ 642	\$ (78)	(12.2%)
Bonus	—	—	—	N/A	—	—	N/A
Commissions	—	—	—	N/A	—	—	N/A
Marketing	81	78	2	3.2%	66	15	22.2%
Benefits	(285)	—	(285)	N/A	—	(285)	N/A
Travel and entertainment	9	8	2	19.5%	17	(8)	(45.8%)
Rent and facilities	—	—	—	N/A	—	—	N/A
Insurance	38	38	(1)	(2.0%)	42	(5)	(11.0%)
Professional fees	47	10	37	385.3%	32	15	46.0%
Utilities, repair, maintenance, and security	22	31	(9)	(28.6%)	34	(12)	(35.2%)
Corporate OH Fees	3,111	3,207	(96)	(3.0%)	3,218	(107)	(3.3%)
Bad Debts	(4)	(4)	(1)	16.5%	(3)	(1)	52.7%
FX	(44)	—	(44)	N/A	41	(85)	(205.6%)
JV Loss (Income)	(130)	(112)	(17)	15.4%	(146)	16	(11.1%)
Other Expenses	0	7	(6)	(95.9%)	(11)	11	(102.5%)
Total Opex	\$ 3,409	\$ 3,953	\$ (544)	(13.8%)	\$ 3,933	\$ (524)	(13.3%)

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	\$	8,153	\$	9,647	\$	(1,494)	(15.5%)	\$	9,266	\$	(1,113)	(12.0%)	1.2%	13.0%	(1,182)	(90.9%)	7.9%	(673)	(85.1%)
Quaker Window Products		5,661		6,093		(432)	(7.1%)		5,858		(197)	(3.4%)	10.1%	10.2%	(5)	(0.5%)	8.5%	162	19.1%
Vinyl-Pro Window Systems Inc		2,778		3,609		(831)	(23.0%)		3,328		(550)	(16.5%)	3.7%	7.8%	(409)	(52.4%)	17.2%	(1,344)	(78.4%)
All Weather Windows Ltd.		2,459		3,964		(1,504)	(38.0%)		3,090		(631)	(20.4%)	10.4%	19.0%	(856)	(45.1%)	(20.5%)	3,089	(151.0%)
Windsor Window Co OEM		4,053		3,952		101	2.5%		4,303		(250)	(5.8%)	20.3%	22.5%	(220)	(9.8%)	5.7%	1,462	257.5%
Dashwood Industries Inc		2,352		2,632		(279)	(10.6%)		2,450		(97)	(4.0%)	12.9%	16.0%	(306)	(19.1%)	19.0%	(603)	(31.8%)
Energi Terrebonne		1,418		2,256		(838)	(37.1%)		1,687		(269)	(16.0%)	(10.2%)	(2.0%)	(822)	410.8%	15.3%	(2,555)	(166.6%)
Vinylbilt Windows & Doors Corp		1,890		1,966		(76)	(3.9%)		2,048		(158)	(7.7%)	(18.8%)	(15.0%)	(384)	25.6%	11.3%	(3,018)	(266.0%)
Allsco Windows & Doors Corp		1,211		1,685		(475)	(28.2%)		1,431		(221)	(15.4%)	(18.6%)	(15.0%)	(356)	23.7%	3.9%	(2,251)	(570.1%)
PGT Industries Inc		1,292		1,190		101	8.5%		1,201		91	7.5%	23.7%	5.0%	1,865	373.0%	(8.8%)	3,243	(369.3%)
Ostaco 2000 Windoors Inc.		984		1,128		(145)	(12.8%)		1,251		(267)	(21.4%)	0.0%	5.0%	(496)	(99.2%)	6.3%	(622)	(99.4%)
Oran Ltd. (Barbados)		356		500		(144)	(28.9%)		448		(93)	(20.7%)	10.0%	8.0%	198	24.8%	13.4%	(342)	(25.5%)
Centennial Windows Ltd		435		489		(53)	(10.9%)		494		(59)	(11.9%)	31.1%	33.0%	(187)	(5.7%)	16.4%	1,478	90.4%
Seymour Windows Ltd		506		489		17	3.5%		634		(128)	(20.2%)	13.1%	19.6%	(648)	(33.1%)	17.1%	(398)	(23.3%)
Kohltech International Ltd		390		451		(61)	(13.5%)		86		304	352.1%	3.1%	10.0%	(690)	(69.0%)	32.2%	(2,913)	(90.4%)
Mason Windows Ltd		300		360		(60)	(16.6%)		368		(68)	(18.4%)	0.2%	8.0%	(778)	(97.2%)	37.1%	(3,684)	(99.4%)
Integral Windows Systems		237		301		(64)	(21.2%)		400		(163)	(40.7%)	6.7%	8.0%	(127)	(15.8%)	8.0%	(127)	(15.8%)
Marlboro Windows		182		301		(118)	(39.3%)		317		(134)	(42.4%)	16.8%	6.0%	1,081	180.1%	8.0%	881	110.1%
Hunter Douglas - Colorado - Ship T		147		250		(103)	(41.4%)		117		29	25.0%	33.0%	18.0%	1,502	83.5%	8.0%	2,502	312.8%
Great Lakes Window Inc		168		250		(82)	(33.0%)		246		(79)	(32.0%)	14.6%	8.0%	660	82.5%	7.0%	756	107.5%
Other		2,216		1,980		236	11.9%		4,444		(2,228)	(50.1%)	(47.3%)	(127.3%)	7,999	(62.8%)	(20.7%)	(2,661)	128.6%
Total Gross	\$	37,625	\$	43,492	\$	(5,867)	(13.5%)	\$	43,467	\$	(5,843)	(13.4%)	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)	1,379	1,230	148	12.1%	8,262	11,238	(2,976)	(26.5%)
Units Shipped ('000)	1,460	1,459	1	0.1%	8,911	10,764	(1,854)	(17.2%)
Bookings (\$'000)	\$ 2,491	\$ 3,195	\$ (705)	(22.1%)	\$ 16,390	\$ 21,165	\$ (4,775)	(22.6%)
Backlog (\$'000)	\$ 3,673	\$ 3,182	\$ 491	15.4%	\$ 3,673	\$ 3,182	\$ 491	15.4%
Gross Revenue	\$ 2,637	\$ 2,697	\$ (60)	(2.2%)	\$ 16,273	\$ 19,371	\$ (3,098)	(16.0%)
Adj. to Gross Revenue	(198)	(218)	21	(9.5%)	(1,307)	(1,500)	193	(12.8%)
Net Revenue	2,440	2,479	(39)	(1.6%)	14,965	17,871	(2,906)	(16.3%)
Material	1,253	1,113	141	12.7%	7,043	8,299	(1,257)	(15.1%)
Labor	399	404	(5)	(1.4%)	2,379	3,397	(1,018)	(30.0%)
Other COGS	197	259	(62)	(23.9%)	1,132	1,022	110	10.8%
Total COGS	1,849	1,776	73	4.1%	10,553	12,718	(2,165)	(17.0%)
Gross Margin	591	703	(113)	(16.0%)	4,412	5,152	(741)	(14.4%)
Gross Margin %	24.2%	28.4%			29.5%	28.8%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	111	137	(26)	(18.8%)	675	877	(202)	(23.0%)
Administrative	225	248	(24)	(9.6%)	1,585	1,729	(143)	(8.3%)
Other Opex	(248)	–	(248)	N/A	(232)	–	(232)	N/A
Total Opex	87	385	(298)	(77.3%)	2,029	2,606	(577)	(22.1%)
EBITDA	503	318	185	58.2%	2,383	2,547	(164)	(6.4%)
EBITDA %	20.6%	12.8%			15.9%	14.3%		
Net Income (Loss)	\$ 388	\$ 197	\$ 191	96.9%	\$ 1,601	\$ 1,746	\$ (145)	(8.3%)
Capex	\$ (80)	\$ (81)	\$ 1	(0.7%)	\$ (406)	\$ (996)	\$ 590	(59.3%)
Opex Overview:								
Payroll	\$ 86	\$ 110	\$ (25)	(22.2%)	\$ 539	\$ 751	\$ (211)	(28.2%)
Bonus	–	–	–	N/A	–	–	–	N/A
Commissions	–	–	–	N/A	–	–	–	N/A
Marketing	57	53	4	6.8%	275	301	(26)	(8.6%)
Benefits	(247)	–	(247)	N/A	(247)	–	(247)	N/A
Travel and entertainment	3	3	(0)	(2.1%)	18	23	(5)	(22.6%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	3	5	(2)	(36.4%)	20	33	(13)	(39.0%)
Professional fees	0	6	(6)	(98.8%)	25	42	(17)	(41.5%)
Utilities, repair, maintenance, and	4	5	(1)	(17.3%)	32	35	(3)	(9.6%)
Corporate OH Fees	174	176	(3)	(1.6%)	1,213	1,235	(22)	(1.8%)
Bad Debts	–	–	–	N/A	–	–	–	N/A
FX	(2)	–	(2)	N/A	15	–	15	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	9	27	(17)	(64.5%)	139	186	(47)	(25.3%)
Total Opex	\$ 87	\$ 385	\$ (298)	(77.3%)	\$ 2,029	\$ 2,606	\$ (577)	(22.1%)

Management Discussion

Net Revenue – Jul-20: (\$39K):

- Sales volume in line with budget with increased demand from Extreme Entrance, Atlantic and Las enterprises. Offset by decreased demand from Atis, Schluter and Isothermic.
- Returns in line with budget.
- Rebates lower by \$23k due to lower sales to Atis
- Unfavorable mix impact of \$31k due to customer mix
- Unfavorable F/X of \$33k (actual rate of 1.3499 [or \$USD 0.74] vs. 1.33 [or \$USD 0.7519])

EBITDA – Jul-20: +\$185K:

- Material COGS:** Increase in costs by \$141k primarily driven by unfavorable price mix by \$140k (\$0.10/Lbs) and unfavorable product mix by \$33k. Offset by improved usage \$11k, yields \$7k (better yield at 89.35% versus budget of 87.9%) and lower reserves by \$15k (LCM and slow moving inventory).
- Labor COGS:** almost in line with budget. DL higher by \$18k due to increased production. Offset by lower IDL by \$20k due to layoffs.
- Other COGS:** Decrease in costs by \$62k driven by favorable absorption of \$79k. Offset by higher utilities \$5k, lower tool and die recovery \$8k (non-recoverable costs at auroral installation). and higher freight by \$10k (higher production).
- Sales and Marketing:** Decrease in cost by \$26k driven by lower wages \$12k due to lower staff, lower product development costs \$16k. Offset by higher promotion costs \$4k
- Administrative:** Decrease in cost by \$24k driven by lower wages \$13k (layoff Covid-19), lower professional fee \$6k and lower corporate overhead fees due to lower F/X of \$3k (actual rate of 1.3499 [or \$USD 0.74] vs. 1.33 [or \$USD 0.7519])
- Other Opex:** Decrease in costs by \$248k due to Canadian wage subsidy \$246k and 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	BPs	%	Act	Bud	\$	%	Act	BPs	%	Act	Bud	\$	%	Act	BPs	%	
Customer:																																
SOLARIS QUEBEC P & F INC.	\$ 218	\$ 235	\$ (16)	(7.0%)	\$ 227	\$ (8)	(3.7%)	\$ 2,054	\$ 2,598	\$ (544)	(20.9%)	\$ 2,482	\$ (428)	(17.2%)	24.6%	23.8%	76	3.2%	23.5%	111	4.7%	24.4%	24.2%	21	0.8%	23.8%	56	2.4%				
ATLANTIC WINDOWS	330	285	45	15.7%	347	(18)	(5.2%)	1,706	1,768	(63)	(3.5%)	1,827	(122)	(6.7%)	14.4%	15.0%	(61)	(4.0%)	14.8%	(39)	(2.6%)	14.7%	15.1%	(45)	(2.9%)	14.9%	(22)	(1.5%)				
SCHLUTER SYSTEMS L.P.	194	265	(71)	(26.7%)	254	(60)	(23.5%)	1,744	1,363	381	27.9%	1,306	438	33.5%	18.8%	23.8%	(501)	(21.0%)	23.5%	(466)	(19.9%)	22.8%	24.4%	(163)	(6.7%)	24.1%	(127)	(5.3%)				
PTES & FEN ISOTHERMIC INC	112	160	(47)	(29.7%)	150	(38)	(25.4%)	747	1,192	(445)	(37.3%)	1,106	(360)	(32.5%)	21.6%	24.8%	(324)	(13.0%)	24.5%	(287)	(11.8%)	21.7%	21.8%	(15)	(0.7%)	21.5%	16	0.7%				
LAFLAMME PORTES	116	179	(62)	(34.9%)	204	(88)	(43.1%)	740	1,041	(302)	(29.0%)	1,076	(337)	(31.3%)	(11.3%)	(13.8%)	249	(18.1%)	(13.6%)	229	(16.9%)	(12.1%)	(13.6%)	153	(11.3%)	(13.4%)	134	(10.0%)				
PORTES & FENETRES ABRITEK	121	161	(41)	(25.1%)	150	(29)	(19.6%)	632	896	(263)	(29.4%)	820	(188)	(22.9%)	28.6%	33.3%	(474)	(14.2%)	32.8%	(425)	(12.9%)	28.2%	31.3%	(306)	(9.8%)	30.8%	(260)	(8.4%)				
ATIS PORTES & FENETRES	58	90	(33)	(36.2%)	125	(68)	(54.1%)	676	820	(144)	(17.5%)	948	(272)	(28.7%)	(19.6%)	(15.5%)	(413)	26.7%	(15.2%)	(436)	28.6%	(17.1%)	(16.6%)	(49)	3.0%	(16.2%)	(88)	5.4%				
EXTREME ENTRANCE SYSTEMS	271	209	62	29.7%	199	73	36.6%	956	888	68	7.7%	830	125	15.1%	16.3%	15.5%	83	5.4%	15.2%	106	7.0%	16.4%	15.8%	52	3.3%	15.6%	75	4.8%				
LES FENETRES CONCEPT.	49	66	(17)	(26.1%)	66	(17)	(25.9%)	487	704	(217)	(30.8%)	691	(204)	(29.5%)	16.2%	16.8%	(59)	(3.5%)	16.6%	(34)	(2.1%)	15.3%	15.3%	(3)	(0.2%)	15.1%	19	1.3%				
FENERGIC INC	58	50	8	15.2%	50	9	17.4%	600	556	44	7.9%	538	62	11.5%	17.7%	13.3%	437	32.9%	13.1%	456	34.8%	15.6%	16.0%	(44)	(2.7%)	15.8%	(22)	(1.4%)				
P & C EDDY BOULET INC	66	72	(6)	(8.7%)	77	(11)	(14.1%)	418	474	(56)	(11.9%)	497	(79)	(15.9%)	17.9%	25.5%	(758)	(29.8%)	25.1%	(721)	(28.7%)	18.7%	22.2%	(348)	(15.7%)	21.8%	(316)	(14.5%)				
KENTO WINDOWS & DOORS	87	74	14	18.5%	73	14	19.1%	414	407	7	1.7%	399	15	3.7%	31.2%	34.4%	(319)	(9.3%)	33.9%	(269)	(7.9%)	32.0%	33.1%	(112)	(3.4%)	32.6%	(64)	(2.0%)				
FUTURA MANUFACTURIER	33	28	5	16.3%	26	7	26.3%	132	218	(86)	(39.4%)	197	(65)	(32.9%)	9.3%	10.6%	(133)	(12.5%)	10.4%	(117)	(11.2%)	11.8%	6.2%	555	89.5%	6.1%	564	92.2%				
VAILLANCOURT INC.	23	40	(17)	(41.5%)	33	(9)	(28.1%)	220	325	(105)	(32.2%)	260	(39)	(15.2%)	34.9%	28.2%	675	23.9%	27.8%	716	25.8%	27.4%	26.3%	108	4.1%	25.9%	147	5.7%				
FENESTRA PURCHASING - GOLDEN	50	39	10	26.6%	51	(1)	(2.6%)	263	319	(56)	(17.4%)	357	(94)	(26.3%)	(2.0%)	(5.6%)	363	(65.0%)	(5.5%)	355	(64.5%)	(5.0%)	(1.7%)	(333)	195.3%	(1.7%)	(332)	192.7%				
FENÊTRES PRÉSIDENT	11	45	(34)	(74.6%)	–	11	N/A	11	226	(214)	(94.9%)	–	11	N/A	24.0%	23.6%	32	1.4%	#DIV/0!	NA	#DIV/0!	24.0%	23.6%	32	1.4%	#DIV/0!	NA	#DIV/0!				
PRODUITS DALMEN PRODUCTS	37	22	15	67.1%	31	6	20.4%	226	195	32	16.4%	265	(39)	(14.7%)	19.5%	18.5%	99	5.4%	18.2%	127	6.9%	18.0%	18.2%	(22)	(1.2%)	17.9%	3	0.2%				
ENTREPRISES DOCO INC.	20	20	0	0.7%	25	(4)	(17.2%)	149	206	(58)	(28.0%)	247	(98)	(39.7%)	27.5%	19.6%	793	40.4%	19.3%	821	42.5%	22.5%	23.7%	(114)	(4.8%)	23.3%	(79)	(3.4%)				
G R THERIAULT	45	43	2	4.0%	64	(19)	(29.1%)	162	186	(24)	(12.9%)	210	(48)	(22.8%)	18.0%	27.8%	(978)	(35.2%)	27.4%	(937)	(34.2%)	22.6%	23.0%	(45)	(1.9%)	23.0%	(35)	(1.5%)				
LAS ENTERPRISES	51	20	31	152.4%	22	29	132.0%	216	219	(3)	(1.2%)	236	(20)	(8.5%)	40.3%	48.1%	(776)	(16.1%)	47.4%	(705)	(14.9%)	41.8%	49.5%	(767)	(15.5%)	48.7%	(694)	(14.2%)				
Other	686	593	93	15.6%	633	53	8.3%	3,718	4,770	(1,052)	(22.0%)	4,577	(859)	(18.8%)	38.3%	57.4%	(1,908)	(33.3%)	2.2%	3,606	1631.6%	65.1%	56.5%	865	15.3%	30.0%	3,510	117.0%				
Total Gross	\$ 2,637	\$ 2,697	\$ (60)	(2.2%)	\$ 2,806	\$ (169)	(6.0%)	\$ 16,273	\$ 19,371	\$ (3,098)	(16.0%)	\$ 18,873	\$ (2,601)	(13.8%)	22.4%	26.1%	(368)	(14.1%)	25.2%	(276)	(11.0%)	27.5%	26.6%	89	3.3%	27.0%	53	2.0%				

Management Discussion

- Good pick from Atlantic after a slow Q2
- Slow month for Schluter however ahead of YTD budget
- Positive contributions from Extreme, Golden, Kento and Las
- 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	YTD 2020
Health & Safety									
<i>Recordable Incidents</i>	0	1	0	0	0	0	0	0	1
<i>TRIR (Total Recordable Incident Rate)</i>	<1	2.41	1.62	1.62	1.73	1.82	1.8	0.93	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	21.8
<i>Return as % of sales</i>	0.72%	1.24%	0.40%	0.82%	0.00%	0.63%	0.46%	0.27%	0.56%
Delivery Performance									
<i>% on time in full</i>	95.00%	99.94%	99.78%	98.38%	84.70%	87.27%	82.09%	85.39%	91.08%
<i>% by line items</i>	99.00%	99.94%	99.78%	98.38%	84.70%	87.27%	82.09%	85.39%	91.08%
Costs									
<i>Yield</i>	87.87%	89.03%	89.77%	89.54%	93.02%	89.18%	90.00%	89.35%	89.58%
<i>Alt/Regrind Compound Consumption Ratio</i>	15.20%	21.47%	21.05%	14.35%	30.25%	18.02%	16.28%	23.70%	19.34%
<i>Direct Labour \$/lb produced</i>	\$0.192	\$ 0.219	\$0.187	\$ 0.183	\$ 0.416	\$ 0.186	\$ 0.113	\$ 0.088	\$ 0.164
<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	\$ 0.192
Inventory									
<i>Days - TTM (Trailing 12 Months)</i>	67.3	72	71	70	72	73	70	70	71

Comments:

Delivery: Increase in backorders due to limited production

Full Year Laval P&L Summary

\$'000	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Fcst	\$	%	
Units Produced ('000)	15,804	18,951	(3,147)	(16.6%)	19,150	(3,346)	(17.5%)	
Units Shipped ('000)	16,180	19,217	(3,037)	(15.8%)	18,815	(2,635)	(14.0%)	
Bookings (\$'000)	\$ 28,750	\$ 36,128	\$ (7,378)	(20.4%)	\$ 50,018	\$ (21,268)	(42.5%)	
Backlog ('\$000)	\$ 1,955	\$ 2,398	\$ (443)	(18.5%)	\$ 3,634	\$ (1,679)	(46.2%)	
Gross Revenue	\$ 28,799	\$ 34,581	\$ (5,783)	(16.7%)	\$ 34,485	\$ (5,686)	(16.5%)	
Adj. to Gross Revenue	(2,385)	(2,806)	421	(15.0%)	(2,943)	558	(18.9%)	
Net Revenue	26,414	31,775	(5,362)	(16.9%)	31,542	(5,129)	(16.3%)	
Material	12,474	14,776	(2,302)	(15.6%)	14,634	(2,160)	(14.8%)	
Labor	4,649	5,817	(1,168)	(20.1%)	5,843	(1,194)	(20.4%)	
Other COGS	1,726	2,137	(411)	(19.2%)	1,926	(200)	(10.4%)	
Total COGS	18,849	22,730	(3,881)	(17.1%)	22,402	(3,554)	(15.9%)	
Gross Margin	7,565	9,046	(1,481)	(16.4%)	9,140	(1,575)	(17.2%)	
Gross Margin %	28.6%	28.5%			29.0%			
R&D	—	—	—	N/A	—	—	N/A	
Sales & Marketing	1,246	1,517	(271)	(17.8%)	1,754	(507)	(28.9%)	
Administrative	2,750	2,967	(217)	(7.3%)	2,978	(228)	(7.7%)	
Other Opex	(232)	—	(232)	N/A	(7)	(225)	3310.7%	
Total Opex	3,764	4,484	(719)	(16.0%)	4,725	(961)	(20.3%)	
EBITDA	3,801	4,562	(762)	(16.7%)	4,415	(615)	(13.9%)	
EBITDA %	14.4%	14.4%			14.0%			
Net Income (Loss)	\$ 2,423	\$ 3,136	\$ (713)	(22.7%)	\$ 3,095	\$ (673)	(21.7%)	
Capex	\$ (759)	\$ (1,235)	\$ 476	(38.5%)	\$ (1,030)	\$ 271	(26.3%)	
Opex Overview:								
Payroll	\$ 1,027	\$ 1,296	\$ (269)	(20.8%)	\$ 1,262	\$ (235)	(18.6%)	
Bonus	—	—	—	N/A	—	—	N/A	
Commissions	—	—	—	N/A	—	—	N/A	
Marketing	474	524	(50)	(9.6%)	770	(296)	(38.4%)	
Benefits	(247)	—	(247)	N/A	—	(247)	N/A	
Travel and entertainment	32	39	(7)	(17.7%)	50	(17)	(35.1%)	
Rent and facilities	—	—	—	N/A	—	—	N/A	
Insurance	42	56	(14)	(24.5%)	53	(11)	(20.4%)	
Professional fees	51	72	(21)	(28.8%)	92	(41)	(44.4%)	
Utilities, repair, maintenance, and security	54	60	(6)	(10.1%)	68	(14)	(20.4%)	
Corporate OH Fees	2,058	2,117	(59)	(2.8%)	2,125	(67)	(3.1%)	
Bad Debts	—	—	—	N/A	—	—	N/A	
FX	15	—	15	N/A	(7)	22	(319.3%)	
JV Loss (Income)	—	—	—	N/A	—	—	N/A	
Other Expenses	257	319	(61)	(19.3%)	312	(54)	(17.4%)	
Total Opex	\$ 3,764	\$ 4,484	\$ (719)	(16.0%)	\$ 4,725	\$ (961)	(20.3%)	

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.	\$	3,602	\$	4,474	\$	(872)	(19.5%)	\$	4,265	\$	(664)	(15.6%)	24.6%	24.4%	16	0.7%	24.0%	56	2.3%	
ATLANTIC WINDOWS		2,912		3,233		(321)	(9.9%)		3,352		(440)	(13.1%)	14.5%	14.8%	(28)	(1.9%)	14.5%	1	0.0%	
SCHLUTER SYSTEMS L.P.		2,635		2,400		235	9.8%		2,664		(29)	(1.1%)	22.3%	23.3%	(104)	(4.5%)	21.6%	63	2.9%	
PTES & FEN ISOTHERMIC INC		1,524		2,142		(618)	(28.8%)		2,064		(540)	(26.2%)	22.2%	22.3%	(15)	(0.7%)	22.0%	13	0.6%	
LAFLAMME PORTES		1,587		2,068		(481)	(23.3%)		1,959		(372)	(19.0%)	(12.6%)	(13.4%)	89	(6.6%)	(13.2%)	68	(5.2%)	
PORTES & FENETRES ABRITEK		1,382		1,805		(423)	(23.4%)		1,629		(248)	(15.2%)	29.1%	30.9%	(178)	(5.8%)	30.4%	(127)	(4.2%)	
ATIS PORTES & FENETRES		1,302		1,579		(277)	(17.5%)		1,713		(410)	(24.0%)	(17.6%)	(17.2%)	(40)	2.3%	(16.9%)	(68)	4.0%	
EXTREME ENTRANCE SYSTEMS		1,465		1,504		(39)	(2.6%)		1,491		(27)	(1.8%)	16.2%	15.8%	40	2.5%	15.7%	49	3.1%	
LES FENETRES CONCEPT.		931		1,250		(319)	(25.6%)		1,163		(232)	(20.0%)	15.9%	15.9%	2	0.2%	15.7%	22	1.4%	
FENERGIC INC		1,022		1,074		(51)	(4.8%)		1,074		(52)	(4.8%)	16.0%	16.2%	(20)	(1.2%)	16.2%	(20)	(1.2%)	
P & C EDDY BOULET INC		836		981		(145)	(14.8%)		1,041		(205)	(19.7%)	21.4%	23.7%	(226)	(9.5%)	23.5%	(210)	(9.0%)	
KENTO WINDOWS & DOORS		668		714		(46)	(6.4%)		644		24	3.8%	32.2%	33.0%	(88)	(2.7%)	32.8%	(68)	(2.1%)	
FUTURA MANUFACTURIER		358		492		(134)	(27.3%)		393		(34)	(8.8%)	9.7%	7.3%	237	32.5%	7.4%	224	30.2%	
VAILLANCOURT INC.		356		489		(133)	(27.2%)		473		(117)	(24.8%)	48.2%	26.4%	2,182	82.8%	25.9%	2,223	85.7%	
FENESTRA PURCHASING - GOLDEN		373		451		(79)	(17.4%)		621		(249)	(40.0%)	(4.0%)	(1.8%)	(215)	119.4%	(1.6%)	(232)	141.7%	
FENÊTRES PRÉSIDENT		198		451		(253)	(56.2%)		—		198	N/A	23.7%	23.6%	2	0.1%	#DIV/0!	NA	#DIV/0!	
PRODUITS DALMEN PRODUCTS		412		421		(9)	(2.2%)		499		(87)	(17.4%)	17.7%	17.6%	4	0.2%	17.5%	17	1.0%	
ENTREPRISES DOCO INC.		313		406		(93)	(22.9%)		419		(106)	(25.3%)	22.5%	22.9%	(39)	(1.7%)	22.6%	(8)	(0.3%)	
G R THERIAULT		344		406		(62)	(15.3%)		412		(68)	(16.5%)	22.9%	23.8%	(90)	(3.8%)	23.9%	(93)	(3.9%)	
LAS ENTERPRISES		372		400		(28)	(7.0%)		360		12	3.3%	46.0%	51.3%	(529)	(10.3%)	49.6%	(358)	(7.2%)	
Other		6,207		7,841		(1,635)	(20.8%)		8,248		(2,042)	(24.8%)	61.5%	59.1%	238	4.0%	2.7%	5,885	2216.6%	
Total Gross	\$	28,799	\$	34,581	\$	(5,783)	(16.7%)	\$	34,485	\$	(5,686)	(16.5%)	26.7%	26.5%	18	0.7%	26.5%	16	0.6%	

Delmont Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	1,708	1,965	(257)	(13.1%)	11,507	13,065	(1,558)	(11.9%)
Units Shipped ('000)	2,191	1,981	210	10.6%	12,834	13,553	(719)	(5.3%)
Bookings (\$'000)	\$ 4,067	\$ 3,441	\$ 626	18.2%	\$ 22,645	\$ 23,446	\$ (800)	(3.4%)
Backlog (\$'000)	\$ 2,182	\$ 1,568	\$ 614	39.2%	\$ 2,182	\$ 1,568	\$ 614	39.2%
Gross Revenue	\$ 3,876	\$ 3,548	\$ 328	9.3%	\$ 22,950	\$ 24,171	\$ (1,221)	(5.1%)
Adj. to Gross Revenue	(109)	(107)	(2)	2.1%	(685)	(725)	41	(5.6%)
Net Revenue	3,767	3,441	326	9.5%	22,265	23,446	(1,180)	(5.0%)
Material	1,755	1,671	83	5.0%	10,515	11,432	(917)	(8.0%)
Labor	568	683	(115)	(16.8%)	4,121	4,702	(581)	(12.4%)
Other COGS	556	290	266	91.6%	2,258	2,144	115	5.3%
Total COGS	2,879	2,645	234	8.9%	16,894	18,277	(1,383)	(7.6%)
Gross Margin	888	796	92	11.6%	5,372	5,169	203	3.9%
Gross Margin %	23.6%	23.1%			24.1%	22.0%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	8	14	(6)	(40.9%)	70	99	(29)	(29.0%)
Administrative	223	224	(1)	(0.5%)	1,562	1,566	(3)	(0.2%)
Other Opex	—	—	—	N/A	—	—	—	N/A
Total Opex	231	238	(7)	(2.9%)	1,632	1,664	(32)	(1.9%)
EBITDA	657	558	99	17.7%	3,739	3,504	235	6.7%
EBITDA %	17.4%	16.2%			16.8%	14.9%		
Net Income (Loss)	\$ 489	\$ 396	\$ 93	23.6%	\$ 2,528	\$ 2,417	\$ 111	4.6%
Capex	\$ (25)	\$ (121)	\$ 96	(79.3%)	\$ (234)	\$ (886)	\$ 653	(73.6%)
Opex Overview:								
Payroll	\$ 58	\$ 62	\$ (4)	(6.3%)	\$ 409	\$ 429	\$ (20)	(4.6%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	—	—	—	N/A	—	—	—	N/A
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	—	—	—	N/A	2	—	2	N/A
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	—	—	—	N/A	—	—	—	N/A
Professional fees	—	—	—	N/A	12	—	12	N/A
Utilities, repair, maintenance, an	3	3	(0)	(15.8%)	19	22	(3)	(13.7%)
Corporate OH Fees	166	166	(0)	(0.0%)	1,158	1,161	(3)	(0.3%)
Bad Debts	—	—	—	N/A	—	—	—	N/A
FX	—	—	—	N/A	—	—	—	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	5	8	(3)	(33.1%)	33	53	(20)	(37.9%)
Total Opex	\$ 231	\$ 238	\$ (7)	(2.9%)	\$ 1,632	\$ 1,664	\$ (32)	(1.9%)

Management Discussion

Net Revenue – Jul-20: +\$326K:

- Sales volume up 10.6% or \$365k driven by increased demand from PGT \$240K, Regency \$77K, Comfort View \$62K and New South \$38K, partially offset by lower Brunswick \$104K.
- Returns better vs budget by \$12k.
- Rebates slightly behind budget by \$3k.
- Unfavorable mix impact of \$48k or \$0.02/lb

EBITDA – Jul-20: +\$99K :

- Material COGS:** Increase in costs by \$83k primarily driven by increased sales volumes \$177k and a lower yield of \$11k and lower regrind usage of \$7k. Offset by better PPV by \$86k, lower reserves by \$9k and lower freight and packaging by \$17k.
- Labor COGS:** Decrease in cost by \$115K driven by lower headcount and significantly lower Lbs produced.
- Other COGS:** Increase in cost by \$266k driven by unfavorable net absorption of \$277k and lower tooling recovery/higher tooling material by \$17k and higher freight costs by 16k. Offset by lower maintenance spend by \$23k and lower utilities by \$14k. Lower Factory, Premises, warehouse and other costs account for a further \$7k.
- Sales and Marketing:** Decrease in costs by \$6k driven lower headcount and by no Made in USA costs
- Administrative:** In line with budget

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	BP	%	Act	Bud	BP	%	Act	BP	%	
Customer:																																
PGT Industries Inc	\$ 2,115	\$ 1,875	\$ 240	12.8%	\$ 1,971	\$ 144	7.3%	\$ 12,787	\$ 12,925	\$ (138)	(1.1%)	\$ 12,583	\$ 204	1.6%	23.0%	21.9%	109	5.0%	21.0%	205	9.8%	22.3%	20.6%	170	8.3%	20.8%	150	7.2%				
Polaris Technologies	514	520	(6)	(1.2%)	531	(17)	(3.2%)	2,592	3,515	(923)	(26.3%)	3,128	(536)	(17.1%)	21.2%	15.5%	570	36.6%	19.0%	224	11.8%	16.3%	14.9%	141	9.5%	15.1%	122	8.1%				
Comfort View Products	242	180	62	34.4%	221	21	9.5%	1,298	1,260	38	3.0%	1,229	69	5.6%	24.3%	21.8%	250	11.5%	20.5%	383	18.7%	20.4%	20.1%	35	1.7%	20.2%	24	1.2%				
Sierra Pacific Windows	259	255	4	1.6%	310	(51)	(16.5%)	1,808	1,750	58	3.3%	1,571	237	15.1%	11.6%	9.3%	226	24.4%	9.7%	188	19.5%	11.6%	8.8%	280	32.0%	8.8%	273	30.9%				
Atrium Windows & Doors	125	135	(10)	(7.4%)	79	46	58.2%	804	895	(91)	(10.2%)	825	(21)	(2.5%)	34.9%	39.3%	(444)	(11.3%)	40.5%	(561)	(13.8%)	32.5%	38.5%	(600)	(15.6%)	38.7%	(627)	(16.2%)				
Regency Plus, Inc.	277	200	77	38.5%	115	162	140.9%	1,083	1,325	(242)	(18.3%)	1,171	(88)	(7.5%)	25.1%	21.8%	329	15.1%	21.6%	353	16.4%	23.9%	21.3%	256	12.0%	21.3%	262	12.3%				
Brunswick Bowling And Billiards	46	150	(104)	(69.3%)	172	(126)	(73.3%)	630	1,010	(380)	(37.6%)	893	(263)	(29.5%)	53.4%	43.0%	1,042	24.2%	42.6%	1,080	25.3%	47.9%	41.4%	652	15.8%	41.5%	642	15.5%				
Qubicaamf Worlwide LCC	55	80	(25)	(31.3%)	117	(62)	(53.0%)	489	545	(56)	(10.3%)	573	(84)	(14.7%)	43.3%	44.0%	(75)	(1.7%)	45.0%	(174)	(3.9%)	47.8%	41.8%	601	14.4%	45.0%	281	6.2%				
NewSouth Window Solutions, LLC	48	10	38	380.0%	53	(5)	(9.4%)	320	220	100	45.5%	239	81	33.9%	31.9%	156.1%	(12,418)	(79.5%)	44.0%	(1,202)	(27.3%)	30.8%	43.5%	(1,274)	(29.3%)	41.1%	(1,030)	(25.1%)				
Great Day Improvement, LLC	65	35	30	85.7%	–	65	N/A	336	205	131	63.9%	168	168	100.0%	33.6%	32.5%	111	3.4%	#DIV/0!	NA	#DIV/0!	36.4%	36.3%	7	0.2%	33.9%	243	7.2%				
Yoders Window & Siding	42	70	(28)	(40.0%)	–	42	N/A	153	205	(52)	(25.4%)	166	(13)	(7.8%)	45.4%	13.6%	3,182	234.5%	#DIV/0!	NA	#DIV/0!	43.2%	33.5%	970	29.0%	34.8%	836	24.0%				
Fairway Building Products	–	–	-	N/A	–	-	N/A	–	–	-	N/A	60	(60)	(100.0%)	#DIV/0!	#DIV/0!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	–	#DIV/0!	22.8%	NA	#VALUE!				
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!	42.7%	–	#VALUE!	39.0%	NA	#VALUE!				
Jeld-Wen Windows & Doors	2	2	-	0.0%	1	1	100.0%	17	15	2	13.3%	14	3	21.4%	0.0%	21.8%	(2,183)	(100.0%)	21.9%	(2,190)	(100.0%)	19.6%	18.7%	88	4.7%	18.5%	105	5.6%				
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	42	10	32	320.0%	11	31	281.8%	195	65	130	200.0%	55	140	254.5%	(35.3%)	10.0%	(4,539)	(451.9%)	0.0%	(3,534)	N/A	(36.9%)	10.0%	(4,693)	(467.7%)	4.6%	(4,149)	(903.9%)				
East Central Indiana Vinyl MFG, LLC	–	–	-	N/A	–	-	N/A	13	16	(3)	(18.8%)	16	(3)	(18.8%)	#DIV/0!	#DIV/0!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	54.2%	45.9%	824	17.9%	53.8%	31	0.6%				
Lakeland Polymers, LLC	8	1	7	700.0%	–	8	N/A	24	11	13	118.2%	10	14	140.0%	(26.4%)	(157.1%)	13,075	(83.2%)	#DIV/0!	NA	#DIV/0!	(44.0%)	(89.7%)	4,573	(51.0%)	(115.2%)	7,128	(61.9%)				
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	36	25	11	45.8%	35	2	4.4%	401	170	231	135.7%	364	37	10.1%	5.9%	11.3%	(541)	(47.8%)	(6.0%)	1,194	(198.0%)	85.5%	10.8%	7,469	693.2%	4.1%	8,134	1975.1%				
Total Gross	\$ 3,876	\$ 3,548	\$ 328	9.3%	\$ 3,616	\$ 261	7.2%	\$ 22,950	\$ 24,171	\$ (1,221)	(5.1%)	\$ 23,125	\$ (175)	(0.8%)	22.9%	22.4%	47	2.1%	22.0%	91	4.1%	23.5%	21.3%	215	10.1%	21.3%	211	9.9%				

Management Discussion

- Strong month with results ahead of budget
- Significant demand from PGT after a slow Q2.
- Good pickup from Regency in July
- New Brunswick continues to fall short of budget

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	YTD 2020
Health & Safety									
<i>Recordable Incidents</i>	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	1.57	1.57	1.57
Quality Performance									
<i>Customer Complaints - per MLBS</i>	2.9	1.1	2.8	2.72	0.7	2.4	2.3	1.2	1.89
<i>Return as % of sales</i>	0.30%	0.03%	0.21%	0.14%	0.03%	0.17%	0.32%	0.00%	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%	98.78%
<i>% by line items</i>	99.60%	98.84%	99.61%	99.63%	99.81%	99.65%	98.89%	97.93%	99.20%
Costs									
<i>Yield</i>	84.3%	86.11%	82.63%	84.1%	86%	85%	83%	84%	84.25%
<i>Alt/Regrind Compound Consumption Ratio</i>	23.3%	20.3%	16.7%	18.3%	19%	26%	17%	16%	18.93%
<i>Direct Labour \$/lb produced</i>	\$0.186	\$0.180	\$0.180	\$ 0.174	\$ 0.208	\$ 0.169	\$ 0.162	\$ 0.173	\$ 0.177
<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	\$ 0.181
Inventory									
<i>Days - TTM (Trailing 12 Months)</i>	63.3	70.1	69.4	69.5	68	69	67	64	70.1

Comments:

Delivery: Lower inventory and increase in order intake. 2107 line items shipped with 46 having backorders. 4829 sku's shipped with 100 backordered.

Costs: Yield: High cap runs and increased activities

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)	18,543	21,835	(3,292)	(15.1%)	20,887	(2,343)	(11.2%)	
Units Shipped ('000)	19,614	22,498	(2,884)	(12.8%)	21,990	(2,376)	(10.8%)	
Bookings (\$'000)	\$ 33,879	\$ 38,882	\$ (5,003)	(12.9%)	\$ 37,091	\$ (3,212)	(8.7%)	
Backlog (\$'000)	\$ 1,696	\$ 1,568	\$ 128	8.2%	\$ 1,244	\$ 453	36.4%	
Gross Revenue	\$ 34,938	\$ 40,090	\$ (5,152)	(12.9%)	\$ 39,413	\$ (4,474)	(11.4%)	
Adj. to Gross Revenue	(1,064)	(1,208)	144	(11.9%)	(1,153)	89	(7.7%)	
Net Revenue	33,874	38,882	(5,008)	(12.9%)	38,260	(4,386)	(11.5%)	
Material	16,235	18,946	(2,711)	(14.3%)	18,877	(2,642)	(14.0%)	
Labor	7,074	8,070	(996)	(12.3%)	7,545	(471)	(6.2%)	
Other COGS	3,165	3,486	(321)	(9.2%)	3,819	(654)	(17.1%)	
Total COGS	26,474	30,502	(4,027)	(13.2%)	30,242	(3,768)	(12.5%)	
Gross Margin	7,400	8,380	(981)	(11.7%)	8,017	(618)	(7.7%)	
Gross Margin %	21.8%	21.6%			21.0%			
R&D	—	—	—	N/A	—	—	N/A	
Sales & Marketing	120	169	(50)	(29.4%)	128	(8)	(6.3%)	
Administrative	2,666	2,685	(19)	(0.7%)	2,640	27	1.0%	
Other Opex	—	—	—	N/A	—	—	N/A	
Total Opex	2,786	2,855	(69)	(2.4%)	2,767	19	0.7%	
EBITDA	4,613	5,526	(912)	(16.5%)	5,250	(637)	(12.1%)	
EBITDA %	13.6%	14.2%			13.7%			
Net Income (Loss)	\$ 2,579	\$ 3,610	\$ (1,031)	(28.6%)	\$ 3,341	\$ (763)	(22.8%)	
Capex	\$ (209)	\$ (1,171)	\$ 963	(82.2%)	\$ (996)	\$ 787	(79.1%)	
Opex Overview:								
Payroll	\$ 678	\$ 736	\$ (58)	(7.9%)	\$ 667	\$ 11	1.6%	
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	5105.1%	1	1	186.4%	
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	35	37	(2)	(6.7%)	39	(4)	(10.5%)	
Corporate OH Fees	1,987	1,990	(3)	(0.1%)	1,989	(2)	(0.1%)	
Bad Debts	—	—	—	N/A	3	(3)	(100.0%)	
FX	—	—	—	N/A	—	—	N/A	
JV Loss (Income)	—	—	—	N/A	—	—	N/A	
Other Expenses	72	91	(19)	(20.5%)	71	1	1.6%	
Total Opex	\$ 2,786	\$ 2,855	\$ (69)	(2.4%)	\$ 2,770	\$ 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	\$	%	Fcst	\$	%	Fcst	Bud	BPs	%	Fcst	BPs	%		
Customer:																			
PGT Industries Inc	\$	19,756	\$	21,382	\$	(1,626)	(7.6%)	\$	20,750	\$	(994)	(4.8%)	21.0%	20.5%	52	2.6%	19.4%	165	8.5%
Polaris Technologies		4,133		5,975		(1,842)	(30.8%)		5,042		(909)	(18.0%)	14.1%	14.5%	(49)	(3.4%)	14.7%	(64)	(4.3%)
Comfort View Products		1,966		2,100		(134)	(6.4%)		2,209		(243)	(11.0%)	18.7%	20.0%	(124)	(6.2%)	17.7%	106	6.0%
Sierra Pacific Windows		2,755		2,886		(131)	(4.5%)		2,861		(106)	(3.7%)	11.2%	8.7%	250	28.7%	7.2%	403	55.9%
Atrium Windows & Doors		1,248		1,499		(251)	(16.7%)		1,432		(184)	(12.8%)	30.6%	37.8%	(720)	(19.0%)	37.8%	(719)	(19.0%)
Regency Plus, Inc.		1,531		2,240		(709)	(31.7%)		1,940		(409)	(21.1%)	21.8%	20.8%	97	4.7%	20.8%	100	4.8%
Brunswick Bowling And Billiards		992		1,588		(596)	(37.5%)		1,793		(801)	(44.7%)	48.7%	42.2%	650	15.4%	40.8%	786	19.3%
Qubicaamf Worlwide LCC		782		898		(116)	(12.9%)		1,009		(227)	(22.5%)	46.4%	41.6%	475	11.4%	43.6%	277	6.3%
NewSouth Window Solutions, LLC		392		400		(8)	(2.0%)		571		(179)	(31.3%)	34.6%	41.1%	(651)	(15.9%)	39.6%	(502)	(12.7%)
Great Day Improvement, LLC		424		323		101	31.3%		415		9	2.2%	39.3%	36.6%	275	7.5%	33.0%	636	19.3%
Yoders Window & Siding		186		266		(80)	(30.1%)		304		(118)	(38.8%)	42.7%	38.2%	453	11.9%	33.8%	894	26.4%
Fairway Building Products		–		–		-	N/A		60		(60)	(100.0%)	#DIV/0!	#DIV/0! –		#DIV/0!	22.8%	NA	#VALUE!
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		23		21		2	9.5%		32		(9)	(28.1%)	22.8%	21.2%	154	7.3%	16.6%	619	37.3%
Constant Distribution LLC		–		–		-	N/A		7		(7)	(100.0%)	#DIV/0!	#DIV/0! –		#DIV/0!	(36.6%)	NA	#VALUE!
CGI		203		115		88	76.5%		97		106	109.3%	(45.4%)	9.3%	(5,464)	(588.6%)	6.0%	(5,138)	(853.0%)
East Central Indiana Vinyl MFG, LL		15		18		(3)	(16.7%)		37		(22)	(59.5%)	73.3%	64.5%	880	13.6%	50.7%	2,263	44.7%
Lakeland Polymers, LLC		33		21		12	57.1%		27		6	22.2%	(41.7%)	(87.6%)	4,588	(52.4%)	(97.4%)	5,570	(57.2%)
JP Industrial Products Inc		–		–		-	N/A		–		-	N/A	#DIV/0!	#DIV/0! –		#DIV/0!	#DIV/0!	NA	#DIV/0!
Other		499		280		219	78.3%		705		(205)	(29.2%)	68.3%	10.5%	5,779	548.9%	4.8%	6,348	1312.9%
Total Gross	\$	34,938	\$	40,090	\$	(5,152)	(12.9%)	\$	39,413	\$	(4,474)	(11.4%)	21.8%	21.2%	66	3.1%	20.3%	148	7.3%

Everett Summary P&L

	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	1,091	1,417	(326)	(23.0%)	6,495	9,693	(3,197)	(33.0%)
Units Shipped ('000)	1,343	1,563	(220)	(14.1%)	7,671	8,996	(1,325)	(14.7%)
Bookings (\$'000)	\$ 2,764	\$ 2,650	\$ 114	4.3%	\$ 13,018	\$ 15,172	\$ (2,154)	(14.2%)
Backlog (\$'000)	\$ 1,644	\$ 1,197	\$ 447	37.4%	\$ 1,644	\$ 1,197	\$ 447	37.4%
Gross Revenue	\$ 2,238	\$ 2,624	\$ (386)	(14.7%)	\$ 12,706	\$ 15,059	\$ (2,353)	(15.6%)
Adj. to Gross Revenue	(119)	(123)	4	(3.2%)	(574)	(715)	142	(19.8%)
Net Revenue	2,119	2,501	(382)	(15.3%)	12,133	14,344	(2,211)	(15.4%)
Material	1,061	1,255	(195)	(15.5%)	6,271	7,157	(887)	(12.4%)
Labor	419	503	(84)	(16.7%)	2,946	3,519	(572)	(16.3%)
Other COGS	377	305	72	23.4%	1,867	1,138	728	64.0%
Total COGS	1,857	2,064	(207)	(10.0%)	11,084	11,814	(731)	(6.2%)
Gross Margin	262	437	(175)	(40.0%)	1,049	2,529	(1,481)	(58.5%)
Gross Margin %	12.4%	17.5%			8.6%	17.6%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	21	20	2	9.2%	165	153	13	8.2%
Administrative	248	252	(3)	(1.3%)	1,756	1,780	(24)	(1.3%)
Other Opex	4	—	4	N/A	18	—	18	N/A
Total Opex	273	271	2	0.8%	1,939	1,932	7	0.3%
EBITDA	(11)	166	(177)	(106.7%)	(890)	597	(1,487)	(249.2%)
EBITDA %	(0.5%)	6.6%			(7.3%)	4.2%		
Net Income (Loss)	\$ (168)	\$ (5)	\$ (163)	3517.8%	\$ (1,949)	\$ (518)	\$ (1,431)	276.2%
Capex	\$ (9)	\$ (21)	\$ 12	(57.1%)	\$ (327)	\$ (752)	\$ 425	(56.5%)
Opex Overview:								
Payroll	\$ 59	\$ 64	\$ (6)	(8.6%)	\$ 443	\$ 453	\$ (10)	(2.2%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	8	7	2	28.1%	71	62	8	13.7%
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	0	—	0	N/A	7	8	(1)	(7.3%)
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	15	13	2	11.9%	75	93	(18)	(18.9%)
Professional fees	—	—	—	N/A	10	—	10	N/A
Utilities, repair, maintenance, an	0	—	0	N/A	3	—	3	N/A
Corporate OH Fees	177	177	(0)	(0.0%)	1,241	1,244	(3)	(0.3%)
Bad Debts	0	—	0	N/A	0	—	0	N/A
FX	4	—	4	N/A	18	—	18	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	10	10	0	3.3%	71	72	(1)	(1.5%)
Total Opex	\$ 273	\$ 271	\$ 2	0.8%	\$ 1,939	\$ 1,932	\$ 7	0.3%

Management Discussion

Net Revenue – Jul-20: -\$382k:

- Sales volume down 14.1% or \$352k driven by decreased volume across most customers particularly Cascade, Westeck and AWW; offset by increased sales from Simonton and CDA
- Returns \$5k higher vs budget primarily from Simonton and CDA (Capstock)
- Rebates higher vs budget by \$9k primarily due customer sales mix
- Lower customer/product mix by \$17k vs budget

EBITDA – Jul-20: -\$177k:

- Material COGS:** Decrease in costs by \$195k driven by decreased sales volume \$177k, favorable product mix by \$30k and favorable LCM and E&O by \$44k. Offset by unfavorable Yield/Scrap by \$30k due to testing and post production scrap and lower regrind usage with financial benefit (approx 19.5% vs 20.0%), lower regrind recovery and inventory adjustment with a total impact of by \$23k vs budget.
- Labor COGS:** Decrease in costs by \$84k as a result of furloughs due to reduced production driven by Covid-19.
- Other COGS:** Increase in cost by \$72k driven by lower absorption of \$77k due to limited production and lower tool & die recovery by \$40k (Fewer tooling projects); offset by decreased Freight by \$34k due to lower cradle returns and sales mix and lower utilities and maintenance by \$20k due to lower production.
- Sales and Marketing:** in line with budget.
- Administrative:** in line with budget
- 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	\$	931	\$	833	\$	98	11.8%	\$	833	\$	98	11.8%	\$	4,649	\$	5,453	\$	(804)	(14.7%)	\$	5,453	\$	(804)	(14.7%)	10.7%	23.0%	(1,236)	(53.7%)	3.1%	754	242.5%	7.7%	21.9%	(1,425)	(65.1%)	13.3%	(568)	(42.6%)
Cascade		187		453		(267)	(58.9%)		226		(40)	(17.6%)		1,312		2,129		(817)	(38.4%)		1,276		37	2.9%	(30.6%)	(13.0%)	(1,763)	135.6%	(35.2%)	458	(13.0%)	(32.8%)	(13.5%)	(1,931)	143.0%	(24.1%)	(869)	36.0%
Coeur d'Alene		489		378		111	29.3%		337		152	45.2%		2,370		2,046		324	15.8%		1,822		549	30.1%	7.3%	9.0%	(170)	(18.9%)	(4.8%)	1,205	(253.6%)	(0.8%)	8.4%	(919)	(109.3%)	1.2%	(198)	(164.9%)
Westeck		75		210		(135)	(64.1%)		210		(135)	(64.1%)		764		988		(224)	(22.7%)		988		(224)	(22.7%)	11.7%	27.0%	(1,534)	(56.8%)	18.6%	(690)	(37.2%)	15.8%	24.6%	(885)	(35.9%)	23.7%	(788)	(33.3%)
All Weather		15		108		(93)	(86.0%)		108		(93)	(86.1%)		405		778		(373)	(47.9%)		779		(373)	(48.0%)	(60.2%)	(3.0%)	(5,724)	1907.9%	(7.7%)	(5,254)	682.7%	(15.3%)	(2.8%)	(1,244)	439.2%	(4.7%)	(1,057)	225.0%
KGW		53		101		(49)	(48.1%)		94		(41)	(43.8%)		672		656		16	2.4%		606		66	10.9%	26.5%	31.0%	(446)	(14.4%)	27.6%	(106)	(3.8%)	29.6%	33.0%	(343)	(10.4%)	32.8%	(315)	(9.6%)
Lindsay		77		106		(29)	(27.5%)		97		(20)	(20.9%)		336		573		(237)	(41.3%)		526		(189)	(36.0%)	18.4%	15.0%	337	22.5%	10.4%	801	77.3%	13.3%	12.0%	126	10.5%	11.5%	174	15.0%
Whisper Walls		25		67		(43)	(63.4%)		62		(37)	(60.3%)		241		442		(201)	(45.4%)		407		(166)	(40.7%)	52.9%	48.0%	487	10.2%	37.7%	1,513	40.1%	43.3%	50.8%	(750)	(14.8%)	50.0%	(666)	(13.3%)
Western		30		50		(20)	(40.0%)		38		(8)	(20.9%)		419		371		48	13.0%		281		138	49.0%	65.7%	36.0%	2,966	82.4%	42.2%	2,345	55.5%	40.7%	34.7%	594	17.1%	30.3%	1,042	34.4%
Northerm - Yukon		131		102		29	28.2%		102		29	28.2%		432		308		124	40.1%		308		124	40.1%	38.5%	38.0%	49	1.3%	37.7%	77	2.0%	39.2%	40.4%	(122)	(3.0%)	40.0%	(78)	(1.9%)
West Coast Designed		33		48		(15)	(31.4%)		45		(12)	(25.8%)		167		236		(68)	(29.0%)		218		(51)	(23.3%)	46.1%	41.0%	511	12.5%	39.9%	622	15.6%	49.4%	44.8%	465	10.4%	39.1%	1,031	26.3%
Coastal		93		49		44	90.8%		45		48	106.1%		283		184		99	53.9%		171		113	N/A	46.6%	34.3%	1,227	35.8%	34.3%	1,227	35.8%	34.5%	34.0%	54	1.6%	43.5%	(901)	(20.7%)
Modern		–		37		(37)	(100.0%)		37		(37)	(100.0%)		72		132		(59)	(45.2%)		132		(59)	(45.2%)	#DIV/0!	31.0%	–	#VALUE!	26.1%	NA	#VALUE!	12.4%	20.5%	(813)	(39.6%)	18.3%	(594)	(32.4%)
Hometime		73		–		73	N/A		–		73	N/A		157		92		66	71.9%		83		74	89.6%	33.0%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	26.1%	35.3%	(920)	(26.0%)	24.6%	152	6.2%
Avanti		–		16		(16)	(100.0%)		13		(13)	(100.0%)		59		114		(55)	(48.2%)		98		(39)	(39.5%)	#DIV/0!	41.3%	–	#VALUE!	41.3%	NA	#VALUE!	23.1%	35.1%	(1,198)	(34.2%)	35.1%	(1,204)	(34.3%)
RMA		2		–		2	N/A		–		2	N/A		33		65		(33)	(49.9%)		38		(5)	(14.2%)	32.7%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	35.2%	46.7%	(1,149)	(24.6%)	52.8%	(1,762)	(33.4%)
Intl - Yellow Dog		–		–		-	N/A		–		-	N/A		–		110		(110)	(100.0%)		110		(110)	(100.0%)	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	#DIV/0!	(0.2%)	–	#VALUE!	(0.2%)	NA	#VALUE!
La Cantina		4		–		4	N/A		–		4	N/A		34		55		(21)	(38.3%)		51		(17)	(33.0%)	50.0%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	39.4%	41.9%	(248)	(5.9%)	41.2%	(179)	(4.3%)
R&R		–		19		(19)	(100.0%)		17		(17)	(100.0%)		37		63		(25)	(40.4%)		56		(18)	(33.0%)	#DIV/0!	56.4%	–	#VALUE!	56.4%	NA	#VALUE!	52.6%	54.8%	(217)	(4.0%)	55.1%	(247)	(4.5%)
Danjo		–		10		(10)	(100.0%)		9		(9)	(100.0%)		3		38		(35)	(92.3%)		33		(30)	(91.3%)	#DIV/0!	23.8%	–	#VALUE!	23.8%	NA	#VALUE!	(471.7%)	60.2%	(53,188)	(883.7%)	55.5%	(52,722)	(949.4%)
Other		22		35		(14)	(39.0%)		47		(26)	(54.6%)		258		227		31	13.5%		933		(676)	(72.4%)	(50.0%)	35.8%	(8,578)	(239.9%)	8.9%	(5,889)	(664.5%)	33.0%	34.9%	(184)	(5.3%)	12.5%	2,055	164.7%
Total Gross	\$	2,238	\$	2,624	\$	(386)	(14.7%)	\$	2,321	\$	(83)	(3.6%)	\$	12,706	\$	15,059	\$	(2,353)	(15.6%)	\$	14,368	\$	(1,662)	(11.6%)	11.7%	16.7%	(493)	(29.6%)	6.0%	576	96.6%	7.9%	16.8%	(889)	(52.9%)	12.2%	(432)	(35.3%)

Management Discussion

- Good month from Simonton after a slow start to the year.
- CDA remains strong as it continues its positive momentum from Q2
- KGW and Western falling behind in July however remain positive YTD
- Good pick from Notherm, Coastal and Hometime

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	YTD 2020
Health & Safety									
<i>Recordable Incidents</i>	1	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	1.19
Quality Performance									
<i>Customer Complaints - per MLBS</i>	10.0	3.9	6.00	4.81	7.0	-	4.1	3.0	4.1
<i>Return as % of sales</i>	0.44%	0.68%	0.29%	0.37%	1.99%	1.28%	0.93%	0.66%	0.82%
Delivery Performance									
<i>% on time in full</i>	99.20%	100.00%	99.53%	99.86%	100.00%	100.00%	99.87%	97.85%	99.59%
<i>% by line items</i>	99.20%	100.00%	99.53%	99.86%	100.00%	100.00%	99.87%	97.85%	99.59%
Costs									
<i>Yield</i>	87.4%	89.6%	89%	89%	86.0%	88%	88.6%	87.0%	88.3%
<i>Alt/Regrind Compound Consumption Ratio</i>	20.0%	24.0%	13%	15%	14.3%	41%	18.5%	14.4%	18.9%
<i>Direct Labour \$/lb produced</i>	\$0.195	\$ 0.204	\$ 0.208	\$ 0.271	\$ 0.227	\$ 0.270	\$ 0.242	\$ 0.204	\$ 0.226
<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	\$ 0.216
Inventory									
<i>Days - TTM (Trailing 12 Months)</i>	104.3	92.2	92	88	89.4	90	85.3	82.4	92.9

Comments

Quality: CDA some capstock. Small issues across parts

Deliver: Reacting to high sales demand; low inventory

Cost: Yield: Number of change overs due to lower inventory and rising demand

Alt/Regrind Consumption: Production mix and limited regrind availability

Labour: Ramping up; production changeovers to meet customer demand

Full Year Everett P&L Summary

\$'000	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Act	\$	%	
Units Produced ('000)	11,356	16,002	(4,646)	(29.0%)	15,729	(4,373)	(27.8%)	
Units Shipped ('000)	12,110	15,922	(3,812)	(23.9%)	15,371	(3,261)	(21.2%)	
Bookings (\$'000)	\$ 20,354	\$ 26,647	\$ (6,293)	(23.6%)	\$ 50,018	\$ (29,664)	(59.3%)	
Backlog (\$'000)	\$ 1,102	\$ 1,195	\$ (92)	(7.7%)	\$ 3,634	\$ (2,532)	(69.7%)	
Gross Revenue	\$ 20,045	\$ 26,536	\$ (6,490)	(24.5%)	\$ 24,943	\$ (4,898)	(19.6%)	
Adj. to Gross Revenue	(911)	(1,242)	331	(26.6%)	(1,100)	188	(17.1%)	
Net Revenue	19,134	25,294	(6,160)	(24.4%)	23,843	(4,709)	(19.8%)	
Material	9,871	12,766	(2,895)	(22.7%)	12,371	(2,500)	(20.2%)	
Labor	5,090	6,078	(988)	(16.3%)	6,177	(1,087)	(17.6%)	
Other COGS	2,603	2,511	92	3.7%	2,505	98	3.9%	
Total COGS	17,564	21,355	(3,791)	(17.8%)	21,053	(3,489)	(16.6%)	
Gross Margin	1,570	3,939	(2,369)	(60.1%)	2,790	(1,220)	(43.7%)	
Gross Margin %	8.2%	15.6%			11.7%			
R&D	—	—	—	N/A	—	—	N/A	
Sales & Marketing	256	249	7	2.9%	315	(59)	(18.8%)	
Administrative	2,957	3,037	(80)	(2.6%)	2,977	(19)	(0.6%)	
Other Opex	18	—	18	N/A	(6)	23	(408.4%)	
Total Opex	3,231	3,286	(55)	(1.7%)	3,286	(55)	(1.7%)	
EBITDA	(1,661)	653	(2,314)	(354.4%)	(496)	(1,165)	235.0%	
EBITDA %	(8.7%)	2.6%			(2.1%)			
Net Income (Loss)	\$ (3,521)	\$ (1,337)	\$ (2,185)	163.5%	\$ (1,952)	\$ (1,569)	80.4%	
Capex	\$ (687)	\$ (752)	\$ 65	(8.7%)	\$ (2,170)	\$ 1,483	(68.3%)	
Opex Overview:								
Payroll	\$ 729	\$ 773	\$ (44)	(5.7%)	\$ 686	\$ 43	6.3%	
Bonus	—	—	—	N/A	—	—	N/A	
Commissions	—	—	—	N/A	—	—	N/A	
Marketing	103	95	8	9.0%	165	(62)	(37.7%)	
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	121	149	(28)	(18.5%)	152	(31)	(20.3%)	
Professional fees	10	—	10	N/A	17	(7)	(41.1%)	
Utilities, repair, maintenance, and security	3	—	3	N/A	5	(2)	(34.6%)	
Corporate OH Fees	2,128	2,131	(3)	(0.2%)	2,130	(2)	(0.1%)	
Bad Debts	0	—	0	N/A	0	(0)	(32.5%)	
FX	18	—	18	N/A	(6)	23	(408.4%)	
JV Loss (Income)	—	—	—	N/A	—	—	N/A	
Other Expenses	112	122	(10)	(8.3%)	130	(19)	(14.3%)	
Total Opex	\$ 3,231	\$ 3,286	\$ (55)	(1.7%)	\$ 3,286	\$ (55)	(1.7%)	

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	\$	7,248	\$	9,500	\$	(2,252)	(23.7%)	\$	9,562	\$	(2,314)	(24.2%)	9.0%	20.9%	(1,193)	(57.1%)	11.7%	(277)	(23.6%)
Cascade		2,617		4,146		(1,529)	(36.9%)		2,073		544	26.2%	(23.2%)	(14.6%)	(852)	58.2%	(28.4%)	526	(18.5%)
Coeur d'Alene		3,462		3,755		(293)	(7.8%)		3,684		(222)	(6.0%)	1.0%	7.7%	(672)	(87.2%)	0.1%	87	793.9%
Westeck		1,154		1,600		(446)	(27.9%)		1,643		(488)	(29.7%)	14.6%	24.0%	(946)	(39.4%)	23.6%	(906)	(38.4%)
All Weather		703		1,277		(575)	(45.0%)		1,455		(753)	(51.7%)	(11.0%)	(2.5%)	(849)	344.7%	(5.5%)	(545)	99.1%
KGW		895		1,007		(112)	(11.1%)		955		(59)	(6.2%)	27.1%	31.7%	(467)	(14.7%)	31.8%	(474)	(14.9%)
Lindsay		616		1,003		(387)	(38.6%)		907		(291)	(32.1%)	11.3%	12.6%	(124)	(9.9%)	13.2%	(185)	(14.1%)
Whisper Walls		465		800		(335)	(41.9%)		677		(212)	(31.3%)	35.9%	47.7%	(1,184)	(24.8%)	48.7%	(1,277)	(26.2%)
Western		622		693		(70)	(10.1%)		511		112	21.9%	36.1%	33.9%	219	6.5%	32.9%	324	9.9%
Northerm - Yukon		553		500		53	10.6%		657		(104)	(15.8%)	35.6%	39.4%	(378)	(9.6%)	40.1%	(455)	(11.3%)
West Coast Designed		274		400		(126)	(31.5%)		379		(105)	(27.7%)	43.3%	42.9%	35	0.8%	41.2%	210	5.1%
Coastal		372		326		46	14.2%		316		57	18.0%	27.3%	32.8%	(551)	(16.8%)	44.1%	(1,680)	(38.1%)
Modern		132		226		(94)	(41.7%)		256		(124)	(48.5%)	12.2%	22.7%	(1,052)	(46.4%)	21.3%	(908)	(42.7%)
Hometime		224		188		37	19.5%		169		56	33.0%	25.0%	33.1%	(814)	(24.6%)	27.3%	(232)	(8.5%)
Avanti		100		176		(76)	(43.1%)		98		3	2.7%	23.3%	34.3%	(1,099)	(32.0%)	33.8%	(1,045)	(30.9%)
RMA		89		154		(65)	(42.3%)		72		17	23.0%	31.9%	45.7%	(1,381)	(30.2%)	50.4%	(1,854)	(36.8%)
Intl - Yellow Dog		25		150		(125)	(83.5%)		115		(91)	(78.6%)	0.9%	2.6%	(170)	(65.6%)	2.1%	(123)	(58.0%)
La Cantina		71		118		(46)	(39.5%)		80		(9)	(11.1%)	26.8%	39.3%	(1,245)	(31.7%)	41.3%	(1,449)	(35.1%)
R&R		54		90		(36)	(39.7%)		110		(56)	(50.7%)	45.7%	51.8%	(612)	(11.8%)	55.7%	(995)	(17.9%)
Danjo		32		83		(50)	(60.8%)		65		(32)	(50.1%)	(54.5%)	47.6%	(10,212)	(214.3%)	44.7%	(9,922)	(221.7%)
Other		335		344		(9)	(2.6%)		1,160		(825)	(71.1%)	33.4%	33.2%	23	0.7%	14.8%	1,865	126.0%
Total Gross	\$	20,045	\$	26,536	\$	(6,490)	(24.5%)	\$	24,943	\$	(4,898)	(19.6%)	7.9%	15.3%	(734)	(48.1%)	11.2%	(325)	(29.1%)

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)	\$ 2,445	\$ 2,183	\$ 262	12.0%	\$ 12,769	\$ 12,376	\$ 393	3.2%
Backlog (\$'000)	\$ 4,155	\$ 1,174	\$ 2,980	253.8%	\$ 4,155	\$ 1,174	\$ 2,980	253.8%
Gross Revenue	\$ 1,966	\$ 2,237	\$ (271)	(12.1%)	\$ 9,679	\$ 12,582	\$ (2,903)	(23.1%)
Adj. to Gross Revenue	(112)	(106)	(6)	5.9%	(450)	(613)	163	(26.6%)
Net Revenue	1,853	2,131	(278)	(13.0%)	9,229	11,969	(2,740)	(22.9%)
Material	1,226	1,318	(92)	(7.0%)	5,942	7,464	(1,522)	(20.4%)
Labor	441	418	23	5.5%	2,002	2,526	(525)	(20.8%)
Other COGS	92	96	(5)	(4.8%)	925	696	229	32.8%
Total COGS	1,759	1,833	(74)	(4.0%)	8,868	10,686	(1,818)	(17.0%)
Gross Margin	94	299	(204)	(68.4%)	361	1,283	(922)	(71.9%)
Gross Margin %	5.1%	14.0%			3.9%	10.7%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	23	38	(15)	(39.9%)	172	246	(74)	(30.0%)
Administrative	189	201	(12)	(5.8%)	1,227	1,374	(147)	(10.7%)
Other Opex	(190)	–	(190)	N/A	(223)	–	(223)	N/A
Total Opex	22	239	(217)	(90.8%)	1,176	1,620	(444)	(27.4%)
EBITDA	72	59	13	21.6%	(815)	(337)	(478)	141.6%
EBITDA %	3.9%	2.8%			(8.8%)	(2.8%)		
Net Income (Loss)	\$ 64	\$ 46	\$ 17	36.9%	\$ (875)	\$ (424)	\$ (451)	106.4%
Capex	\$ (16)	\$ –	\$ (16)	N/A	\$ (44)	\$ (287)	\$ 243	(84.7%)
Opex Overview:								
Payroll	\$ 88	\$ 96	\$ (9)	(9.1%)	\$ 460	\$ 632	\$ (172)	(27.2%)
Bonus	–	–	–	N/A	–	–	–	N/A
Commissions	–	–	–	N/A	–	–	–	N/A
Marketing	–	2	(2)	(100.0%)	18	14	4	29.1%
Benefits	(195)	–	(195)	N/A	(195)	–	(195)	N/A
Travel and entertainment	0	1	(1)	(100.0%)	1	4	(3)	(67.9%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	–	–	–	N/A	–	–	–	N/A
Professional fees	2	4	(2)	(50.5%)	41	48	(6)	(13.0%)
Utilities, repair, maintenance, an	2	7	(4)	(62.6%)	24	37	(13)	(34.5%)
Corporate OH Fees	118	122	(5)	(3.7%)	823	844	(21)	(2.5%)
Bad Debts	–	–	–	N/A	–	–	–	N/A
FX	5	–	5	N/A	(28)	–	(28)	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	2	7	(5)	(65.9%)	31	42	(10)	(24.4%)
Total Opex	\$ 22	\$ 239	\$ (217)	(90.8%)	\$ 1,176	\$ 1,620	\$ (444)	(27.4%)

Management Discussion

Net Revenue – Jul-20: (\$278K):

- Sales volume decreased \$200k due to decreased demand from Vaillancourt, Isothermic and Atis
- Higher rebates/accruals \$19k driven by increased sales from Ostaco and Dashwood
- Returns in line with budget
- Unfavorable ASP of \$35k due to customer/product mix
- Unfavorable F/X of \$24k (actual rate of 1.3499 [or \$USD 0.74] vs. 1.33 [or \$USD 0.7519])

EBITDA – Jul-20: +\$13K:

- Material COGS:** Decrease in costs by \$92K primarily driven by sales volume decrease \$123k. Offset by unfavorable PPV of \$29k due to product mix and unfavorable inventory adjustment and E&O reserve (cumulative impact of \$10k).
- Labor COGS:** Increase in costs by \$23k due to hiring of temps and related training.
- Other COGS:** Decrease in costs by \$5k due to lower freight \$10k, lower premises costs by \$5k driven by savings related to overture move from Woodbridge; offset by lower absorption of \$10K
- Sales and Marketing:** Decrease in costs by \$15k 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 \$12k as a result of layoffs well as lower office and IT costs
- Other Opex:** Decrease in costs by \$190k due to Canadian wage subsidy of \$195k offset by unfavorable F/X revaluation of working capital balances \$5k.

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	%									
Customer:																																						
A.M.I.	\$	454	\$	387	\$	67	17.3%	\$	449	\$	5	1.1%	\$	1,592	\$	2,147	\$	(555)	(25.8%)	\$	2,068	\$	(476)	(23.0%)	22.0%	7.9%	1,412	178.6%	12.6%	946	75.3%	11.4%	7.9%	352	44.5%	7.3%	407	55.4%
ATIS PORTES & FENETRES		242		269		(27)	(10.0%)		8		234	2961.2%		1,243		1,674		(430)	(25.7%)		60		1,184	1983.3%	(5.2%)	(18.1%)	1,289	(71.3%)	(1547.5%)	154,229	(99.7%)	(9.0%)	(15.9%)	689	(43.3%)	(367.2%)	35,818	(97.5%)
GOLDEN WINDOWS		243		213		30	14.3%		239		5	2.0%		1,242		1,181		61	5.2%		1,161		81	7.0%	(25.2%)	5.3%	(3,050)	(576.7%)	10.9%	(3,614)	(330.7%)	(21.3%)	5.3%	(2,659)	(502.7%)	5.3%	(2,662)	(500.4%)
OSTACO 2000 WINDOORS INC		205		170		35	20.3%		211		(6)	(3.0%)		710		945		(235)	(24.9%)		1,033		(323)	(31.3%)	11.8%	(10.2%)	2,198	(215.7%)	(14.0%)	2,577	(184.3%)	21.0%	(10.2%)	3,117	(306.0%)	(11.8%)	3,275	(278.4%)
PORTES & FENETRES ABRITEK		85		99		(14)	(14.2%)		111		(25)	(22.9%)		508		551		(43)	(7.8%)		705		(197)	(27.9%)	(5.8%)	14.4%	(2,019)	(140.0%)	9.0%	(1,472)	(164.5%)	(7.4%)	14.4%	(2,184)	(151.4%)	14.1%	(2,154)	(152.5%)
DASHWOOD INDUSTRIES INC		101		85		15	18.0%		119		(18)	(15.5%)		686		472		213	45.2%		575		111	19.3%	8.7%	(8.8%)	1,748	(198.7%)	(11.0%)	1,969	(178.9%)	18.5%	(8.8%)	2,731	(310.6%)	(6.3%)	2,484	(392.7%)
P & F ISOTHERMIC INC		50		78		(28)	(36.3%)		64		(14)	(22.2%)		191		433		(242)	(55.8%)		406		(215)	(52.9%)	7.6%	(9.2%)	1,677	(182.5%)	(12.2%)	1,975	(162.3%)	(7.6%)	(9.2%)	156	(16.9%)	(10.6%)	295	(27.9%)
VAILLANCOURT INC.		44		78		(34)	(43.2%)		21		24	114.6%		467		433		34	7.9%		470		(3)	(0.7%)	(32.9%)	7.0%	(3,985)	(572.8%)	37.7%	(7,056)	(187.3%)	(2.1%)	7.0%	(910)	(130.8%)	4.7%	(689)	(145.2%)
EXTREME WINDOW AND		80		46		34	73.6%		50		30	61.1%		249		256		(6)	(2.5%)		218		31	14.4%	(2.2%)	(8.3%)	615	(73.9%)	(18.0%)	1,585	(88.0%)	0.3%	(8.3%)	861	(103.5%)	(8.4%)	870	(103.5%)
Fenêtres Concept		41		40		0	0.7%		12		29	247.3%		228		224		3	1.4%		217		11	4.9%	0.8%	29.6%	(2,885)	(97.3%)	154.9%	(15,414)	(99.5%)	(0.3%)	29.6%	(2,998)	(101.1%)	32.7%	(3,308)	(101.0%)
YKK AP VINYL		11		33		(22)	(67.0%)		40		(29)	(72.9%)		174		183		(10)	(5.2%)		216		(42)	(19.4%)	(76.2%)	41.9%	(11,805)	(281.8%)	33.8%	(10,992)	(325.7%)	(1.1%)	41.9%	(4,298)	(102.6%)	18.1%	(1,920)	(106.0%)
CANADIAN VINYLTEK WINDOWS C		25		32		(7)	(21.2%)		31		(6)	(19.2%)		144		177		(33)	(18.6%)		220		(76)	(34.4%)	41.7%	(15.9%)	5,759	(362.6%)	(24.0%)	6,566	(274.1%)	45.6%	(15.9%)	6,151	(387.2%)	(13.8%)	5,938	(431.7%)
MASON WINDOWS LTD		20		32		(12)	(37.3%)		4		16	358.8%		127		177		(50)	(28.3%)		200		(73)	(36.4%)	(37.2%)	8.3%	(4,555)	(546.6%)	(78.1%)	4,087	(52.3%)	(20.4%)	8.3%	(2,878)	(345.3%)	12.1%	(3,255)	(268.9%)
CEN		24		32		(8)	(24.0%)		49		(25)	(50.4%)		146		177		(32)	(17.8%)		266		(121)	(45.3%)	12.7%	20.8%	(807)	(38.8%)	4.8%	792	164.6%	7.0%	20.8%	(1,385)	(66.6%)	20.9%	(1,396)	(66.7%)
TRI-STATE WINDOW FACTORY		4		28		(24)	(85.2%)		21		(17)	(80.4%)		106		157		(51)	(32.5%)		221		(115)	(52.1%)	28.6%	20.3%	839	41.4%	28.6%	6	0.2%	31.0%	20.3%	1,079	53.2%	16.2%	1,488	92.1%
ATLANTIC WINDOWS		61		25		36	145.3%		39		22	57.1%		160		138		22	16.0%		161		(1)	(0.5%)	33.7%	(1.1%)	3,485	(3164.8%)	2.3%	3,147	1380.8%	22.1%	(1.1%)	2,317	(2104.2%)	(1.3%)	2,340	(1755.4%)
LORENDO INC.		7		21		(15)	(68.7%)		12		(6)	(46.3%)		190		118		72	60.7%		114		76	66.2%	(88.6%)	(2.0%)	(8,656)	4285.5%	(29.5%)	(5,909)	200.4%	9.9%	(2.0%)	1,190	(589.4%)	(0.8%)	1,069	(1324.9%)
MAR		17		21		(4)	(21.0%)		18		(1)	(4.7%)		78		118		(40)	(33.9%)		135		(57)	(42.1%)	(5.0%)	7.0%	(1,208)	(171.6%)	(1.4%)	(364)	258.9%	(32.4%)	7.0%	(3,941)	(560.0%)	5.7%	(3,802)	(673.0%)
FENERGIC INC		1		14		(13)	(92.2%)		6		(5)	(82.8%)		88		79		9	11.2%		67		21	31.5%	45.4%	(1.0%)	4,644	(4686.2%)	35.7%	973	27.2%	3.3%	(1.0%)	427	(430.6%)	(5.0%)	828	(165.5%)
FMC		3		14		(10)	(76.0%)		51		(48)	(93.6%)		40		76		(36)	(47.3%)		196		(156)	(79.7%)	(54.1%)	138.0%	(19,204)	(139.2%)	3.5%	(5,758)	(1641.8%)	(7.2%)	156.7%	(16,384)	(104.6%)	3.7%	(1,085)	(294.2%)
Other		247		518		(271)	(52.3%)		419		(172)	(41.0%)		1,310		2,866		(1,556)	(54.3%)		2,163		(852)	(39.4%)	0.0%	51.3%	(5,133)	(100.0%)	39.5%	(3,950)	(100.0%)	15.9%	330.7%	(31,483)	(95.2%)	22.8%	(689)	(30.2%)
Total Gross	\$	1,966	\$	2,237	\$	(271)	(12.1%)	\$	1,974	\$	(9)	(0.4%)	\$	9,679	\$	12,582	\$	(2,903)	(23.1%)	\$	10,871	\$	(1,192)	(11.0%)	4.8%	13.3%	(854)	(64.0%)	5.8%	(100)	(17.2%)	3.6%	9.9%	(628)	(63.5%)	5.5%	(186)	(34.0%)

Management Discussion

- Good pick from AMI and Ostaco
- Atis falling slightly behind budget in July after a decent Q2
- Isothermic continues to be behind budget.
- Strong month for Dashwood and Golden as they continue to show positive results.
- Vaillancourt falling behind in July, however still ahead YTD.

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	YTD 2020
Health & Safety									
<i>Recordable Incidents</i>	0	0	0	0	1	1	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
<i>Return as % of sales</i>	0.55%	1.04%	0.41%	0.37%	0.10%	0.50%	0.67%	0.57%	0.54%
Delivery Performance									
<i>% on time in full</i>	95.00%	99.37%	93.75%	84%	37.65%	82.52%	68.20%	57.09%	74.61%
<i>% by line items</i>	95.00%	99.37%	93.75%	84%	37.65%	82.52%	68.20%	57.09%	74.61%
Costs									
<i>Direct Labour \$/FPV</i>	\$0.156	\$ 0.210	\$0.169	\$ 0.173	\$ 0.156	\$ 0.145	\$ 0.118	\$ 0.116	\$ 0.150
<i>Indirect Labour (incl D&D) \$/FPV</i>	\$0.055	\$ 0.092	\$0.074	\$ 0.074	\$ 0.093	\$ 0.046	\$ 0.042	\$ 0.030	\$ 0.059
Inventory									
<i>Days - TTM (Trailing 12 Months)</i>	68.4	64	64.0	64	67	68	68	68	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; OTD should be back on track by mid-August

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)	\$ 21,982	\$ 24,489	\$ (2,507)	(10.2%)	\$ 20,510	\$ 1,472	7.2%	
Backlog (\$'000)	\$ 2,513	\$ 1,294	\$ 1,219	94.2%	\$ 1,050	\$ 1,463	139.3%	
Gross Revenue	\$ 19,383	\$ 24,981	\$ (5,598)	(22.4%)	\$ 20,539	\$ (1,156)	(5.6%)	
Adj. to Gross Revenue	(1,053)	(1,229)	176	(14.3%)	(1,035)	(18)	1.7%	
Net Revenue	18,331	23,752	(5,422)	(22.8%)	19,505	(1,174)	(6.0%)	
Material	11,787	14,743	(2,956)	(20.0%)	12,383	(596)	(4.8%)	
Labor	3,879	4,500	(621)	(13.8%)	4,136	(258)	(6.2%)	
Other COGS	1,860	1,918	(58)	(3.0%)	2,093	(234)	(11.2%)	
Total COGS	17,525	21,161	(3,635)	(17.2%)	18,613	(1,088)	(5.8%)	
Gross Margin	805	2,592	(1,786)	(68.9%)	892	(87)	(9.7%)	
Gross Margin %	4.4%	10.9%			4.6%			
R&D	–	–	–	N/A	–	–	N/A	
Sales & Marketing	351	433	(81)	(18.8%)	417	(66)	(15.7%)	
Administrative	2,141	2,372	(232)	(9.8%)	2,310	(170)	(7.3%)	
Other Opex	(33)	–	(33)	N/A	34	(67)	(198.1%)	
Total Opex	2,459	2,805	(346)	(12.3%)	2,761	(302)	(10.9%)	
EBITDA	(1,654)	(213)	(1,440)	675.9%	(1,869)	215	(11.5%)	
EBITDA %	(9.0%)	(0.9%)			(9.6%)			
Net Income (Loss)	\$ (1,756)	\$ (365)	\$ (1,392)	381.5%	\$ (1,959)	\$ 202	(10.3%)	
Capex	\$ (28)	\$ (287)	\$ 259	(90.2%)	\$ (141)	\$ 113	(80.2%)	
Opex Overview:								
Payroll	\$ 870	\$ 1,093	\$ (223)	(20.4%)	\$ 998	\$ (128)	(12.8%)	
Bonus	–	–	–	N/A	–	–	N/A	
Commissions	–	–	–	N/A	–	–	N/A	
Marketing	28	23	5	22.1%	59	(31)	(51.8%)	
Benefits	–	–	–	N/A	–	–	N/A	
Travel and entertainment	2	8	(6)	(72.9%)	10	(8)	(78.5%)	
Rent and facilities	–	–	–	N/A	–	–	N/A	
Insurance	–	–	–	N/A	–	–	N/A	
Professional fees	72	69	2	3.5%	66	5	7.8%	
Utilities, repair, maintenance, and security	57	73	(16)	(22.2%)	55	2	3.3%	
Corporate OH Fees	1,403	1,459	(56)	(3.9%)	1,463	(61)	(4.1%)	
Bad Debts	–	–	–	N/A	3	(3)	(100.0%)	
FX	(33)	–	(33)	N/A	34	(67)	(198.1%)	
JV Loss (Income)	–	–	–	N/A	–	–	N/A	
Other Expenses	60	79	(19)	(24.1%)	75	(15)	(20.1%)	
Total Opex	\$ 2,459	\$ 2,805	\$ (346)	(12.3%)	\$ 2,764	\$ (305)	(11.0%)	

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.	\$	3,606	\$	4,227	\$	(622)	(14.7%)	\$	3,628	\$	(22)	(0.6%)	8.4%	7.9%	53	6.7%	10.2%	(177)	(17.4%)
ATIS PORTES & FENETRES		3,086		3,489		(403)	(11.6%)		252		2,834	1123.5%	(12.7%)	(15.2%)	247	(16.2%)	(161.1%)	14,833	(92.1%)
GOLDEN WINDOWS		2,357		2,326		31	1.3%		2,132		224	10.5%	(7.5%)	5.3%	(1,281)	(242.3%)	7.1%	(1,465)	(205.6%)
OSTACO 2000 WINDOORS INC		1,591		1,861		(270)	(14.5%)		1,769		(178)	(10.0%)	2.3%	(10.2%)	1,250	(122.7%)	(7.1%)	941	(132.6%)
PORTES & FENETRES ABRITEK		1,057		1,085		(29)	(2.7%)		1,545		(489)	(31.6%)	4.2%	14.4%	(1,026)	(71.2%)	10.5%	(630)	(60.3%)
DASHWOOD INDUSTRIES INC		1,128		930		198	21.3%		996		133	13.3%	7.7%	(8.8%)	1,648	(187.4%)	(0.4%)	805	(2234.7%)
P & F ISOTHERMIC INC		639		853		(213)	(25.0%)		943		(303)	(32.2%)	(9.5%)	(9.2%)	(30)	3.3%	5.9%	(1,540)	(260.8%)
VAILLANCOURT INC.		920		853		68	7.9%		937		(16)	(1.8%)	3.0%	7.0%	(394)	(56.7%)	9.6%	(660)	(68.7%)
EXTREME WINDOW AND		463		504		(40)	(8.0%)		462		1	0.3%	(4.4%)	(8.3%)	395	(47.5%)	(3.9%)	(45)	11.5%
Fenêtres Concept		445		442		3	0.7%		487		(42)	(8.7%)	15.0%	29.6%	(1,466)	(49.4%)	32.3%	(1,727)	(53.5%)
YKK AP VINYL		373		361		13	3.5%		371		2	0.5%	21.5%	41.9%	(2,035)	(48.6%)	49.9%	(2,840)	(56.9%)
CANADIAN VINYLTEK WINDOWS C		323		349		(26)	(7.5%)		387		(64)	(16.5%)	11.0%	(15.9%)	2,686	(169.1%)	(10.8%)	2,182	(201.2%)
MASON WINDOWS LTD		311		349		(38)	(11.0%)		344		(34)	(9.7%)	(2.8%)	8.3%	(1,109)	(133.0%)	12.0%	(1,471)	(123.0%)
CEN		325		349		(24)	(6.8%)		381		(56)	(14.8%)	14.5%	20.8%	(632)	(30.4%)	22.0%	(750)	(34.1%)
TRI-STATE WINDOW FACTORY		282		309		(27)	(8.7%)		411		(128)	(31.3%)	24.9%	20.3%	460	22.7%	16.5%	840	51.0%
ATLANTIC WINDOWS		257		271		(14)	(5.2%)		245		12	4.9%	7.7%	(1.1%)	881	(800.0%)	1.2%	650	536.5%
LORENDO INC.		319		233		86	37.1%		206		113	54.6%	6.7%	(2.0%)	874	(432.9%)	(2.1%)	879	(424.8%)
MAR		197		233		(36)	(15.3%)		243		(45)	(18.8%)	(9.0%)	7.0%	(1,604)	(227.9%)	13.5%	(2,254)	(166.5%)
FENERGIC INC		177		155		22	14.1%		152		25	16.6%	1.2%	(1.0%)	222	(224.1%)	6.5%	(525)	(81.0%)
FMC		123		149		(25)	(17.1%)		369		(245)	(66.5%)	107.0%	163.9%	(5,691)	(34.7%)	5.9%	10,113	1713.9%
Other		1,403		5,654		(4,251)	(75.2%)		4,280		(2,877)	(67.2%)	26.6%	196.4%	(16,985)	(86.5%)	1.4%	2,519	1818.1%
Total Gross	\$	19,383	\$	24,981	\$	(5,598)	(22.4%)	\$	20,539	\$	(1,156)	(5.6%)	4.1%	10.4%	(627)	(60.2%)	4.3%	(19)	(4.5%)

ECS Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	9,594	8,652	941	10.9%	48,001	56,783	(8,782)	(15.5%)
Units Shipped ('000)	9,150	8,652	497	5.7%	48,667	56,783	(8,116)	(14.3%)
Bookings (\$'000)	\$ 770	\$ 764	\$ 7	0.9%	\$ 5,465	\$ 4,582	\$ 883	19.3%
Backlog (\$'000)	\$ 937	\$ 178	\$ 759	425.8%	\$ 937	\$ 178	\$ 759	425.8%
External Revenue	\$ 750	\$ 875	\$ (124)	(14.2%)	\$ 5,060	\$ 5,094	\$ (34)	(0.7%)
Affiliate Revenue	\$ 5,677	\$ 5,290	\$ 387	7.3%	\$ 28,795	\$ 35,079	\$ (6,284)	(17.9%)
Gross Revenue	\$ 6,427	\$ 6,165	\$ 263	4.3%	\$ 33,855	\$ 40,173	\$ (6,319)	(15.7%)
Adj. to Gross Revenue	(0)	—	(0)	N/A	(1)	—	(1)	N/A
Net Revenue	6,427	6,165	262	4.3%	33,853	40,173	(6,320)	(15.7%)
Material	5,122	5,249	(126)	(2.4%)	27,451	33,980	(6,529)	(19.2%)
Labor	145	171	(25)	(14.9%)	804	1,132	(328)	(28.9%)
Other COGS	415	561	(146)	(26.0%)	2,661	3,701	(1,040)	(28.1%)
Total COGS	5,683	5,981	(298)	(5.0%)	30,916	38,813	(7,897)	(20.3%)
Gross Margin	744	184	560	304.5%	2,937	1,360	1,577	115.9%
Gross Margin %	11.6%	3.0%			8.7%	3.4%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	17	26	(9)	(34.2%)	107	178	(71)	(40.0%)
Administrative	140	153	(13)	(8.4%)	951	1,063	(112)	(10.5%)
Other Opex	(210)	—	(210)	N/A	(86)	—	(86)	N/A
Total Opex	(53)	179	(232)	(129.6%)	972	1,241	(269)	(21.7%)
EBITDA	797	5	792	16317.3%	1,965	119	1,846	1550.9%
EBITDA %	12.4%	0.1%			5.8%	0.3%		
Net Income (Loss)	\$ 735	\$ (59)	\$ 795	(1337.0%)	\$ 1,545	\$ (324)	\$ 1,869	(576.1%)
Capex	\$ —	\$ (38)	\$ 38	(100.0%)	\$ —	\$ (426)	\$ 426	(100.0%)
Opex Overview:								
Payroll	\$ 40	\$ 47	\$ (7)	(14.8%)	\$ 252	\$ 320	\$ (68)	(21.3%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	7	3	4	120.1%	45	19	26	142.2%
Marketing	—	—	—	N/A	—	—	—	N/A
Benefits	(82)	—	(82)	N/A	(82)	—	(82)	N/A
Travel and entertainment	—	3	(3)	(100.0%)	6	14	(8)	(58.7%)
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	6	8	(2)	(19.6%)	39	56	(16)	(29.3%)
Professional fees	—	0	(0)	(100.0%)	0	1	(1)	(73.6%)
Utilities, repair, maintenance, and	1	1	(1)	(48.3%)	4	9	(5)	(51.8%)
Corporate OH Fees	103	104	(2)	(1.5%)	707	736	(30)	(4.0%)
Bad Debts	—	—	—	N/A	—	—	—	N/A
FX	(128)	—	(128)	N/A	(3)	—	(3)	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	1	12	(11)	(94.3%)	4	86	(82)	(94.9%)
Total Opex	\$ (53)	\$ 179	\$ (232)	(129.6%)	\$ 972	\$ 1,241	\$ (269)	(21.7%)

Management Discussion

Net Revenue – Jul-20: +\$262K

- Sales volume up 5.7% or \$354k driven by increased demand from affiliate customers 8%
- Unfavorable price/mix of \$38K primarily driven customer/product mix.
- Unfavorable F/X of \$53k (actual rate of 1.3499 [or \$USD 0.74] vs. 1.33 [or \$USD 0.7519])

EBITDA – Jul-20: +\$792K

- Material COGS:** Decrease in costs by \$126k driven by lower material costs (resin \$30k and additives \$249k, offset by higher TiO2 \$57k), favorable product mix by \$160k and favorable RM count adjustments \$93k; offset by increased sales volume \$302k and a higher inventory reserve
- Labor COGS:** Decrease in cost by \$25k due to lower headcount and vacation utilization.
- Other COGS:** Decrease in cost by 146k primarily driven by lower freight expenses \$76k (lower rates CP vs CN & Pentagon to Delmont), favorable absorption \$23k, lower utilities \$18k (lower usage) and lower maintenance \$14k(lower usage) and budgeted expense of \$15k on R&D not incurred.
- Sales and Marketing:** Decreased in cost by \$9k driven lower production development costs
- Administrative:** Decrease in cost by \$13k driven by lower wages due to layoffs, reduced wages, vacation utilization and lower travel and office expense
- Other Opex:** Decrease in cost by \$210k driven by Canadian wage subsidy of \$82k and 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	Bud	BP	%	Act	BP	%	Act	BP	%	Act	Bud	BP	%	Act	BP	%								
Customer:																																							
Vinyl Profiles, LLC	\$	96	\$	348	\$	(252)	(72.4%)	\$	335	\$	(239)	(71.3%)	\$	1,206	\$	1,644	\$	(438)	(26.7%)	\$	1,576	\$	(370)	(23.5%)	21.9%	8.2%	1,369	167.3%	17.6%	426	24.2%	23.2%	15.6%	759	48.5%	36.4%	(1,318)	(36.2%)	
Nuform Building Technologies Inc		256		128		128	100.5%		138		118	85.5%		1,168		929		239	25.7%		867		301	34.7%	28.1%	12.5%	1,566	125.7%	28.3%	(14)	(0.5%)	24.9%	7.9%	1,695	213.8%	15.7%	914	58.1%	
The Vinyl Company Inc.		17		118		(101)	(85.6%)		93		(76)	(81.7%)		272		763		(491)	(64.4%)		737		(465)	(63.1%)	23.5%	11.0%	1,255	114.2%	16.1%	740	45.9%	15.2%	11.9%	330	27.8%	16.4%	(126)	(7.6%)	
Vinylume Products Inc		32		64		(32)	(50.4%)		65		(33)	(50.8%)		320		390		(70)	(17.9%)		392		(72)	(18.4%)	25.0%	11.1%	1,388	124.9%	21.5%	346	16.1%	24.7%	12.2%	1,246	102.0%	24.5%	19	0.8%	
Accord Plastics Corp.		41		52		(11)	(21.0%)		57		(16)	(28.1%)		305		381		(76)	(20.0%)		387		(82)	(21.2%)	17.1%	5.8%	1,127	194.3%	17.5%	(47)	(2.7%)	18.1%	6.8%	1,132	167.1%	18.6%	(50)	(2.7%)	
Window Seal Limited		3		30		(27)	(89.9%)		30		(27)	(90.0%)		5		30		(25)	(83.1%)		30		(25)	(83.3%)	16.7%	5.6%	1,108	198.1%	6.7%	1,000	150.0%	3.2%	3.8%	(54)	(14.5%)	4.3%	(114)	(26.2%)	
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		31		-		31	N/A		15		16	106.7%		126		8		118	1459.7%		19		107	563.2%	16.1%	#VALUE!	-		#VALUE!	20.0%	(387)	(19.4%)	21.7%	3.1%	1,860	607.4%	3.4%	1,830	542.8%
Superior Extrusions Ltd		-		-		-	N/A		-		-	N/A		19		22		(3)	(13.8%)		23		(4)	(17.4%)	#DIV/0!	#VALUE!	-		#VALUE!	#VALUE!	NA	#VALUE!	#DIV/0!	#DIV/0!	-	#DIV/0!	#DIV/0!	NA	#DIV/0!
Vytron Corporation		-		-		-	N/A		-		-	N/A		-		12		(12)	(100.0%)		13		(13)	(100.0%)	#DIV/0!	#VALUE!	-		#VALUE!	#VALUE!	NA	#VALUE!	0.0%	2.5%	(246)	(100.0%)	19.0%	(1,905)	(100.0%)
Plastibec Ltee		-		-		-	N/A		-		-	N/A		5		5		(0)	(8.6%)		6		(1)	(16.7%)	#DIV/0!	#VALUE!	-		#VALUE!	#VALUE!	NA	#VALUE!	#DIV/0!	4.9%	-	#VALUE!	9.1%	NA	#VALUE!
Vinyl Profiles (2011)		32		-		32	N/A		13		19	146.2%		106		38		68	175.7%		51		55	107.8%	25.0%	#VALUE!	-		#VALUE!	23.1%	192	8.3%	657.1%	36.1%	62,107	1721.6%	70.0%	58,714	838.8%
Fence Outlet MDC, LLC		105		44		61	136.2%		-		105	N/A		692		311		381	122.4%		21		671	3195.2%	25.7%	(10.0%)	3,573	(356.6%)	#DIV/0!	NA	#DIV/0!	#DIV/0!	(210.8%)	-	#VALUE!	46.2%	NA	#VALUE!	
INFINITY EXTRUSIONS INC.		-		-		-	N/A		-		-	N/A		-		43		(43)	(100.0%)		44		(44)	(100.0%)	#DIV/0!	#VALUE!	-		#VALUE!	#DIV/0!	NA	#DIV/0!	0.0%	50.5%	(5,055)	(100.0%)	116.7%	(11,667)	(100.0%)
Resin Technology, LLC		-		44		(44)	(100.0%)		25		(25)	(100.0%)		-		174		(174)	(100.0%)		396		(396)	(100.0%)	#DIV/0!	#VALUE!	-		#VALUE!	0.0%	NA	N/A	#DIV/0!	0.0%	-	N/A	44.8%	NA	#VALUE!
Delcan Manufacturing Ltd		120		47		73	153.2%		-		120	N/A		830		332		498	150.2%		31		799	2553.9%	15.1%	58.6%	(4,358)	(74.3%)	0.0%	1,507	N/A	19.0%	12.6%	646	51.4%	6.9%	1,210	174.6%	
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		5,790		5,638		152	2.7%		5,459		331	6.1%		30,007		36,724		(6,717)	(18.3%)		36,371		(6,364)	(17.5%)	9.8%	2.0%	780	386.6%	3.7%	608	162.8%	5.6%	2.4%	315	130.1%	3.7%	188	51.0%	
Total Gross	\$	6,427	\$	6,165	\$	263	4.3%	\$	6,230	\$	197	3.2%	\$	33,855	\$	40,173	\$	(6,319)	(15.7%)	\$	40,964	\$	(7,110)	(17.4%)	11.6%	3.0%	859	288.0%	5.6%	597	106.7%	8.4%	3.4%	495	144.8%	5.9%	247	41.8%	

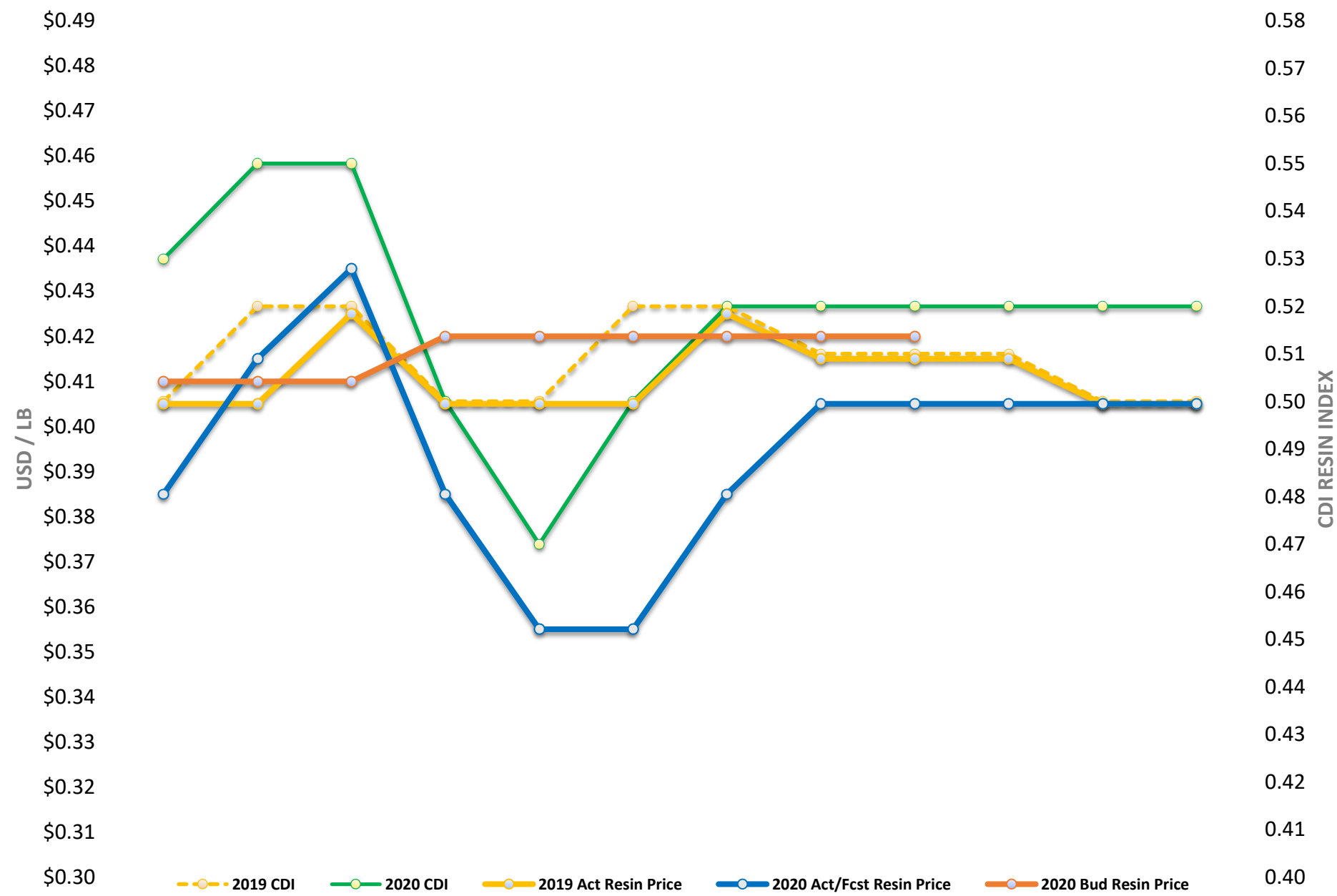
Management Discussion

- Low demand from most external customers due to slow business and shutdowns as a result of Covid 19 with Vinyl Profiles, Vinyl Company and Resin Tech falling significantly behind budget.
- Strong demand from Nuform, Delcan and Fence outlet.

ECS Material Cost Summary

	Q1-20	Q2-20	Jul-20	FY	Q1-20	Q2-20	Jul-20	FY	Q1-20	Q1-20	Jul-20	FY
US \$'000	Act	Act	Act	Act	AOP	AOP	AOP	AOP	Actual-AOP	Actual-AOP	Actual-AOP	Actual-AOP
Sales												
Total Sales - Non-Patio & Doors - S'000	\$ 16,956	\$ 10,773	\$ 6,427	\$ 34,156	\$ 15,350	\$ 18,593	\$ 6,143	\$ 40,086	\$ 1,606	\$ (7,820)	\$ 284	\$ (5,930)
Total Sales - Non-Patio & Doors - Lbs	24,045	15,472	9,150	48,667	21,828	26,303	8,652	56,783	2,217	(10,831)	497	(8,116)
FX Rate	1.3499				1.3300							
Materials - ASP												
ADDITIVE	\$ 3.57	\$ 3.61	3.6341	\$ 3.60	\$ 3.69	\$ 3.69	3.6884	\$ 3.69	\$ (0.1212)	\$ (0.0765)	\$ (0.0543)	\$ (0.0840)
ADDITIVE (IMPACT MODIFIER)	\$ 1.40	\$ 1.31	1.2722	\$ 1.33	\$ 1.52	\$ 1.52	1.5225	\$ 1.52	\$ (0.1255)	\$ (0.2131)	\$ (0.2502)	\$ (0.1963)
ADDITIVE (PROCESSING AID)	\$ 1.40	\$ 1.32	1.2983	\$ 1.34	\$ 1.56	\$ 1.56	1.5565	\$ 1.56	\$ (0.1606)	\$ (0.2337)	\$ (0.2582)	\$ (0.2175)
FILLER	\$ 0.20	\$ 0.18	0.1791	\$ 0.19	\$ 0.22	\$ 0.22	0.2201	\$ 0.22	\$ (0.0204)	\$ (0.0373)	\$ (0.0410)	\$ (0.0329)
LUBRICANT	\$ 0.92	\$ 0.91	0.9182	\$ 0.91	\$ 0.93	\$ 0.93	0.9292	\$ 0.93	\$ (0.0113)	\$ (0.0234)	\$ (0.0109)	\$ (0.0152)
PIGMENT - C	\$ 2.81	\$ 1.87	2.8123		\$ 2.95	\$ 2.95	2.9529	\$ 2.95	\$ (0.1406)	\$ (1.0780)	\$ (0.1406)	\$ (2.9529)
PIGMENT - G	\$ 2.89	\$ 2.50	2.5555	\$ 2.65	\$ 2.79	\$ 2.79	2.7900	\$ 2.79	\$ 0.1008	\$ (0.2878)	\$ (0.2344)	\$ (0.1405)
PIGMENT - HC	\$ 5.57	\$ 5.35	5.9834	\$ 5.63	\$ 5.89	\$ 5.89	5.8923	\$ 5.89	\$ (0.3264)	\$ (0.5406)	\$ 0.0911	\$ (0.2586)
PIGMENT - PC	\$ 5.23	\$ 5.00	4.4468	\$ 4.89	\$ 7.27	\$ 7.27	7.2745	\$ 7.27	\$ (2.0490)	\$ (2.2699)	\$ (2.8278)	\$ (2.3822)
PKG							7.9177	\$ 7.92	\$ -	\$ -	\$ (7.9177)	\$ (7.9177)
PLASTICIZER	\$ 0.81	\$ 0.54	0.8112	\$ 0.72	\$ 0.88	\$ 0.88	0.8755	\$ 0.88	\$ (0.0655)	\$ (0.3353)	\$ (0.0644)	\$ (0.1550)
RESIN	\$ 0.41	\$ 0.37	0.3852	\$ 0.39	\$ 0.41	\$ 0.42	0.4200	\$ 0.42	\$ 0.0018	\$ (0.0547)	\$ (0.0348)	\$ (0.0292)
STABILIZER	\$ 3.11	\$ 2.77	3.0342	\$ 2.97	\$ 3.41	\$ 3.41	3.4121	\$ 3.41	\$ (0.2984)	\$ (0.6386)	\$ (0.3779)	\$ (0.4383)
TIO2	\$ 1.39	\$ 1.39	1.3900	\$ 1.39	\$ 1.39	\$ 1.39	1.3900	\$ 1.39	\$ (0.0018)	\$ (0.0020)	\$ -	\$ (0.0013)
Material Other									\$ -	\$ -	\$ -	\$ -
Materials - \$'000												
ADDITIVE	\$ 361	\$ 222	\$ 158	\$ 741	\$ 333	\$ 401	\$ 132	\$ 867	\$ 28	\$ (180)	\$ 26	\$ (126)
ADDITIVE (IMPACT MODIFIER)	\$ 1,261	\$ 743	\$ 443	\$ 2,447	\$ 1,215	\$ 1,464	\$ 481	\$ 3,160	\$ 46	\$ (721)	\$ (38)	\$ (713)
ADDITIVE (PROCESSING AID)	\$ 207	\$ 121	\$ 71	\$ 400	\$ 213	\$ 257	\$ 85	\$ 555	\$ (6)	\$ (136)	\$ (13)	\$ (155)
FILLER	\$ 236	\$ 149	\$ 98	\$ 483	\$ 279	\$ 336	\$ 111	\$ 726	\$ (43)	\$ (187)	\$ (13)	\$ (244)
LUBRICANT	\$ 493	\$ 316	\$ 188	\$ 997	\$ 452	\$ 544	\$ 179	\$ 1,175	\$ 41	\$ (228)	\$ 9	\$ (179)
PIGMENT - C	\$ -	\$ 5	\$ -	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ -	\$ 5
PIGMENT - G	\$ 154	\$ 84	\$ 60	\$ 298	\$ 203	\$ 245	\$ 81	\$ 529	\$ (49)	\$ (162)	\$ (21)	\$ (231)
PIGMENT - HC	\$ 148	\$ 105	\$ 64	\$ 316	\$ 148	\$ 178	\$ 58	\$ 384	\$ 0	\$ (73)	\$ 6	\$ (68)
PIGMENT - PC	\$ 49	\$ 33	\$ 17	\$ 100	\$ 27	\$ 33	\$ 11	\$ 71	\$ 22	\$ 0	\$ 6	\$ 29
PKG	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
PLASTICIZER	\$ 72	\$ 25	\$ 39	\$ 136	\$ 70	\$ 85	\$ 28	\$ 183	\$ 1	\$ (59)	\$ 11	\$ (47)
RESIN	\$ 7,794	\$ 4,371	\$ 2,717	\$ 14,882	\$ 6,979	\$ 8,614	\$ 2,834	\$ 18,426	\$ 815	\$ (4,243)	\$ (117)	\$ (3,544)
STABILIZER	\$ 932	\$ 501	\$ 352	\$ 1,785	\$ 896	\$ 1,079	\$ 355	\$ 2,330	\$ 36	\$ (578)	\$ (3)	\$ (544)
TIO2	\$ 2,478	\$ 1,574	\$ 967	\$ 5,019	\$ 2,203	\$ 2,655	\$ 873	\$ 5,732	\$ 275	\$ (1,081)	\$ 94	\$ (713)
Scrap	\$ 82	\$ 51	\$ 39	\$ 172	\$ 88	\$ 82	\$ 29	\$ 199	\$ (6)	\$ (31)	\$ 10	\$ (27)
BOM Scrap (not in P&L and 2020 AOP)	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
PIP Savings	\$ (12)	\$ (3)	\$ (4)	\$ (19)	\$ -	\$ -		\$ -	\$ (12)	\$ (3)	\$ (4)	\$ (19)
Kronos Rebates (\$0.01)	\$ (16)	\$ (9)	\$ (8)	\$ (32)	\$ (16)	\$ (19)	\$ (6)	\$ (41)	\$ 0	\$ 11	\$ (2)	\$ 9
Resin Rebate & Discount	\$ (208)	\$ (70)	\$ (35)	\$ (313)	\$ (225)	\$ (275)	\$ (90)	\$ (590)	\$ 17	\$ 205	\$ 55	\$ 277
Amortization Timing	\$ (177)	\$ 373	\$ (127)	\$ 68	\$ (78)	\$ (73)	\$ (1)	\$ (151)	\$ (100)	\$ 446	\$ (127)	\$ 219
Packaging	\$ 24	\$ 64	\$ 38	\$ 126	\$ 99	\$ 90	\$ 27	\$ 216	\$ (75)	\$ (26)	\$ 11	\$ (90)
Material Other	\$ (126)	\$ 161	\$ 5	\$ 40	\$ 41	\$ 107	\$ 62	\$ 210	\$ (167)	\$ 54	89 (58)	\$ (170)
Total Material Costs	\$ 13,752	\$ 8,816	\$ 5,083	\$ 27,651	\$ 12,928	\$ 15,803	\$ 5,249	\$ 33,980	\$ 824	\$ (6,988)	\$ (166)	\$ (6,329)

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	YTD 2020
Health & Safety									
<i>Recordable(effects TRIR)</i>	0	0	0	0	0	0	0	0	0
<i>Near Misses</i>	2	0	0	0	0	1	0	1	2
Environmental									
<i>Recordable(effects TRIR)</i>	0	0	0	0	0	0	0	0	0
<i>Near Misses</i>	2	0	0	0	0	0	0	0	0
Quality Performance									
<i>Concerns per million Good Lbs</i>	0.3	0.1	0.1	0.0		0.0	0.0		0.1
<i>Return as % of sales (%)</i>	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Delivery Performance									
<i>% on time</i>	100%	100%	100%	100%	79%	100%	100%	100%	97%
Material Cost									
<i>Yield</i>	100%	99%	99%	100%	100%	99%	100%	99%	99%
<i>Production Scrap</i>	1.00%	0.5%	0.6%	0.5%	0.3%	0.5%	0.4%	0.6%	0.50%
<i>Total Material Usage Variance</i>	2.00%	1.8%	-2.5%	0.5%	0.3%	2.5%	0	(0)	0.26%
<i>Direct Labour \$/lb produced</i>	0.009	0.007	0.009	0.008	0.008	0.014	0.002	0.003	0.006
<i>Indirect Labour (incl D&D) \$/lb produced</i>	0.014	0.017	0.017	0.018	0.020	0.021	0.007	0.006	0.014
Inventory									
<i>Days - TTM (Trailing 12 Months)</i>	41	39	37	36	38	39	38	37	38
Freight									
<i>Freight \$ as % of net sales</i>	3.9%	3.2%	3.3%	3.1%	2.8%	2.9%	2.6%	2.4%	2.9%

COMMENTS:

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%	
Gross Revenue	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%)	
		\$ 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	\$	1,795	\$	2,748	\$	(953)	(34.7%)	\$	2,756	\$	(961)	(34.9%)	19.4%	16.5%	289	17.5%	20.0%	(63)	(3.1%)
Nuform Building Technologies Inc		2,002		1,488		515	34.6%		1,838		164	8.9%	30.8%	7.4%	2,341	316.8%	27.3%	354	13.0%
The Vinyl Company Inc.		692		1,297		(605)	(46.6%)		1,399		(707)	(50.5%)	19.6%	11.8%	773	65.3%	14.5%	508	35.0%
Vinylume Products Inc		690		583		107	18.4%		642		48	7.5%	25.0%	12.1%	1,286	105.9%	24.1%	85	3.5%
Accord Plastics Corp.		537		615		(78)	(12.7%)		591		(54)	(9.1%)	18.3%	6.7%	1,157	172.1%	18.2%	7	0.4%
Window Seal Limited		5		59		(54)	(91.6%)		102		(97)	(95.1%)	2.4%	9.7%	(737)	(75.7%)	14.7%	(1,234)	(83.9%)
New Customers (L.B. Plastics)		–		–		-	N/A		–		-	N/A	0.0%	0.0%	–	N/A	#DIV/0!	NA	#DIV/0!
Prasad Plastics Limited		135		14		121	854.9%		55		80	145.6%	16.2%	2.9%	1,334	460.1%	18.2%	(194)	(10.7%)
Superior Extrusions Ltd		45		41		4	11.0%		44		1	2.8%	#DIV/0!	#DIV/0!	–	#DIV/0!	27.3%	NA	#VALUE!
Vytron Corporation		6		15		(9)	(59.4%)		33		(27)	(81.4%)	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)		159		76		84	110.7%		94		65	69.3%	717.7%	15.5%	70,220	4521.2%	24.5%	69,327	2833.3%
Fence Outlet MDC, LLC		1,202		533		669	125.3%		90		1,111	1228.8%	5655.9%	(274.2%)	593,009	(2162.6%)	11.1%	564,483	51057.5%
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		1,464		569		896	157.4%		31		1,433	4582.2%	19.7%	12.4%	725	58.4%	0.0%	1,967	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		48,397		62,508		(14,111)	(22.6%)		59,510		(11,112)	(18.7%)	3.4%	2.2%	121	55.1%	3.6%	(19)	(5.2%)
Total Gross	\$	55,346	\$	68,044	\$	(12,698)	(18.7%)	\$	67,758	\$	(12,413)	(18.3%)	6.5%	3.2%	330	103.2%	5.8%	69	11.9%

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	–	–	–	N/A	–	–	–	N/A
Net Revenue	–	–	–	N/A	–	–	–	N/A
Material	398	(7)	405	(6146.3%)	748	518	229	44.2%
Labor	19	(93)	113	(120.9%)	(69)	(50)	(19)	38.3%
Other COGS	361	5	355	6479.7%	939	79	860	1089.1%
Total COGS	779	(94)	873	(925.5%)	1,618	547	1,070	195.5%
Gross Margin	(779)	94	(873)	(925.5%)	(1,618)	(547)	(1,070)	195.5%
Gross Margin %		N/A				N/A		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	180	296	(117)	(39.4%)	1,376	2,066	(690)	(33.4%)
Administrative	(590)	(460)	(131)	28.4%	(4,654)	(3,353)	(1,302)	38.8%
Other Opex	(5)	–	(5)	N/A	33	–	33	N/A
Total Opex	(415)	(163)	(252)	154.5%	(3,245)	(1,286)	(1,959)	152.3%
EBITDA	(363)	258	(621)	(241.0%)	1,627	739	889	120.3%
EBITDA %		N/A				N/A		
Net Income (Loss)	\$ (270)	\$ (221)	\$ (49)	22.1%	\$ (604)	\$ (3,848)	\$ 3,245	(84.3%)
Capex	\$ –	\$ (285)	\$ 285	(100.0%)	\$ –	\$ (1,246)	\$ 1,246	(100.0%)
Opex Overview:								
Payroll	\$ 364	\$ 455	\$ (90)	(19.8%)	\$ 2,306	\$ 2,908	\$ (602)	(20.7%)
Bonus	22	62	(40)	(65.1%)	(276)	432	(708)	(163.9%)
Commissions	9	21	(13)	(59.0%)	102	134	(32)	(23.9%)
Marketing	3	14	(10)	(74.7%)	58	210	(152)	(72.5%)
Benefits	(44)	–	(44)	N/A	(44)	–	(44)	N/A
Travel and entertainment	8	84	(76)	(90.3%)	161	600	(438)	(73.1%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	1	–	1	N/A	(4)	–	(4)	N/A
Professional fees	35	37	(2)	(5.2%)	218	256	(38)	(14.8%)
Office Expense	4	4	0	7.3%	30	27	3	11.7%
IT	(866)	(857)	(8)	1.0%	(6,051)	(5,987)	(65)	1.1%
Bad Debts	–	–	–	N/A	64	–	64	N/A
FX	39	–	39	N/A	77	–	77	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	10	19	(10)	(50.6%)	113	134	(21)	(15.5%)
Total Opex	\$ (415)	\$ (163)	\$ (252)	154.5%	\$ (3,245)	\$ (1,286)	\$ (1,959)	152.3%

Management Discussion

EBITDA – Jul-2020: -\$621K

- **Material COGS:** Intercompany profit elimination significantly higher than budget
- **Labor COGS:** higher by \$113K 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:** Paint Warranty Accrual (Simonton) of \$244k in addition to Freight Savings budgeted (\$92K), captured by plants and higher insurance accrual vs budget \$18k
- **Sales & Marketing:** lower by \$117K largely due lower wages by \$49k as a result of layoffs and wage reduction due to Covid 19, lower Travel by \$41k, lower advertising \$11k and lower commissions \$13k
- **Administrative:** lower by \$131k on account of lower wages \$42k, lower bonus accrual by \$40k and lower travel by \$35k due to current pandemic. IT expense also lower by \$19K on account of delay in start of certain subscriptions and maintenance contracts due to negotiations.
- **Other Opex:** Decrease in cost by \$5k driven by Canadian wage subsidy of \$44k offset by FX loss 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	–	–	–	N/A	0	(0)	(100.0%)
Net Revenue	–	–	–	N/A	0	(0)	(100.0%)
Material	255	0	255	85136.1%	70	185	264.3%
Labor	26	(510)	536	(105.1%)	559	(533)	(95.4%)
Other COGS	1,486	151	1,335	887.0%	1,191	295	24.8%
Total COGS	1,767	(359)	2,126	(592.2%)	1,820	(53)	(2.9%)
Gross Margin	(1,767)	359	(2,126)	(592.2%)	(1,820)	53	(2.9%)
Gross Margin %	N/A	N/A			#####		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	2,443	3,607	(1,164)	(32.3%)	3,685	(1,242)	(33.7%)
Administrative	(7,422)	(5,691)	(1,731)	30.4%	(5,591)	(1,831)	32.8%
Other Opex	33	–	33	N/A	35	(2)	(4.8%)
Total Opex	(4,946)	(2,085)	(2,862)	137.3%	(1,871)	(3,075)	164.3%
EBITDA	3,179	2,444	736	30.1%	51	3,128	6115.0%
EBITDA %	N/A	N/A			#####		
Net Income (Loss)	\$ (459)	\$ (3,989)	\$ 3,530	(88.5%)	\$ (4,138)	\$ 3,679	(88.9%)
Capex	\$ (125)	\$ (2,706)	\$ 2,581	(95.4%)	\$ (41)	\$ (84)	205.5%
Opex Overview:							
Payroll	\$ 4,103	\$ 5,053	\$ (950)	(18.8%)	\$ 5,128	\$ (1,025)	(20.0%)
Bonus	(170)	740	(910)	(123.0%)	616	(787)	(127.6%)
Commissions	154	241	(87)	(36.1%)	243	(89)	(36.6%)
Marketing	145	377	(232)	(61.6%)	535	(390)	(72.9%)
Benefits	(44)	–	(44)	N/A	–	(44)	N/A
Travel and entertainment	378	1,044	(666)	(63.8%)	969	(591)	(61.0%)
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	(4)	–	(4)	N/A	–	(4)	N/A
Professional fees	385	439	(54)	(12.4%)	462	(78)	(16.8%)
Office Expense	45	46	(1)	(1.9%)	44	1	3.4%
IT	(10,289)	(10,274)	(15)	0.1%	(10,310)	21	(0.2%)
Bad Debts	64	–	64	N/A	176	(113)	(63.9%)
FX	77	–	77	N/A	35	42	120.8%
JV Loss (Income)	–	–	–	N/A	–	–	N/A
Other Expenses	210	249	(39)	(15.6%)	230	(20)	(8.8%)
Total Opex	\$ (4,946)	\$ (2,085)	\$ (2,862)	137.3%	\$ (1,871)	\$ (3,075)	164.3%

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	-	-	-	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	49%	55%	31%	34%	25%	30%	45%	0%	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	-	-	-	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	56%	57%	59%	43%	39%	55%	54%	0%	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	-	-	-	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	52%	43%	53%	10%	25%	50%	65%	0%	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	-	-	-	-	-
Monthly capacity utilization(L/K)%	34%	42%	35%	4%	25%	45%	37%	0%	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	-	-	-	-	-
Monthly Capacity utilization % (B/A)%	41%	39%	41%	10%	21%	42%	48%	0%	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	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity utilization based on NO seasonal adjustment and two 10hr shifts	24%	29%	32%	17%	34%	40%	44%	0%	0%	0%	0%	0%