



2019 Monthly Operating Review – October 2019

November 22nd, 2019



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Executive Summary

- 1. Sales Volumes & Revenues:** Overall sales revenues and volumes were behind Plan by \$851K for the Month due to lower than anticipated demand at Woodbridge, Delmont and Everett from both Canadian and US customers impacted by slowdown in most Canadian & US regions, continued high inventory levels and customers' inability to find & maintain skilled labor (ie. Installers)
- 2. EBITDA:** EBITDA behind Plan by \$177K, impacted by lower sales volumes than Plan at the extrusion plants, production challenges at Woodbridge resulting in lower production yields, higher scrap & lower regrind usage. These unfavorable impacts were partially offset by lower material cost inputs (favorable resin pricing), improved yields at Laval and Delmont, optimization of labor costs, lower overhead spending and lower OPEX costs including labor and all discretionary spending
- 3. Vs Prior Year:** Overall sales revenues and volumes were behind Prior Year by \$301K for the Month due to lower sales out of all extrusion plants partially offset by higher sales at Terrebonne and ECS. Woodbridge sales impacted by lost business (Ventana, Jeld-Wen, Panes, Okna, Clera, Duraco), soft market conditions in the Central Canadian region and lower JV sales. Everett sales impacted by lost business (SI, Win-Dor, Van Isle) and soft market conditions in the US West region. EBITDA was behind the Prior Year by \$66K for the Month primarily due to the Current Year bonus accrual impact of \$215K. EBITDA has improved at Terrebonne, Delmont and Laval year-over-year with improvements in margins, quality, delivery and labor utilization. On a YTD basis and excluding the impact of the bonus expense, 2019 YTD EBITDA is behind the Prior Year by \$347K on an unfavorable net sales variance of approx. \$13 million, with operational improvements at all plants and cost reduction initiatives helping to offset the volume decline
- 4. TTM:** 2019 October TTM Revenue of \$157.6M and EBITDA of \$10.1M vs the 2019 AOP Revenue of \$178.2M and EBITDA of \$14.0M (excluding bonus expense)

Executive Summary (Continued)

5. **Sales Order Flow:** Overall sales order flow outlook for November as at November 19th is currently behind the Prior Year on a Month to Date basis. Patio Door sales orders are behind prior year orders by 15% while the Extrusion orders are behind prior year orders by 7% on a Month to Date basis. Delmont continues to have a healthy sales backlog with order intake ahead of prior year by 41%, while orders at Laval, Woodbridge and Everett are behind prior year by 30.7%, 15.3% and 22.6%, respectively. Woodbridge, Laval and Delmont are planning to draw from inventory levels in November and adjusting production schedules accordingly, while Everett is planning to build some inventory in October to accommodate extended plant shut downs during the holidays in November and December.
6. **Material/Supplier Price Increases:** CDI Resin Index remained consistent in October's report, resulting in no change to the October resin price. PVC industry statistics showed a further reduction in domestic resin demand versus September and the prior year, and expect both domestic and export demand to be soft in November and December 2019. Industry consensus appears to suggest that ethylene prices will begin to decline in November, together with lower seasonal demand in NA and lower export pricing, there is an expectation that resin prices in NA will decline by a further 1 cpp in November. TiO₂ contract negotiations in final stages with favorable pricing adjustment to \$1.39/Lb as at Nov. 1st. Discussions and testing of materials ongoing with alternative suppliers for regrind compound, Masterbatch, Acrylic Dark Cap, Stabilizer and Filler materials. SmartVentures review of ENERGI's logistics and packaging supply and processes in process
7. **Bank Covenants:** Excess Availability covenant for Oct-19 in line with target but Fixed Cost Coverage Ratio (FCCR) below the target due to continued softness of EBITDA. Continue to monitor Q4 2019 and Q1 2020 cash flow forecasts and impacts on Excess Availability and FCCR covenants and moderate spending accordingly
8. **Everett Plant Manager:** John Haddon has resigned from ENERGI with his last day August 13th. There is an active search for his replacement. Aimee Barrett, Production Manager, is currently the interim Plant Manager with support from the Executive Management team. Aimee is also being considered as a candidate for the role on a permanent basis

Executive Summary (Continued)

9. **VP of Operations:** ENERGI decided to release Andy Schnuerer of his duties on October 1st. Andy's role will currently not be replaced, but a search will most likely commence in Jan-20. The Executive Management team is sharing the responsibility of his duties to ensure that the good processes and disciplines he implemented will continue to be followed and further developed at the plants
10. **US West Region Sales Manager:** Jay Meiries, US West Region sales account manager has resigned from ENERGI with his last day on October 25th. A current search is ongoing for his replacement. Identified three potential candidates to increase the US sales regions, with interviews currently in process
11. **Terrebonne Capital Equipment (Vendor Bankruptcy):** Terrebonne had purchased an automated saw machine from a local Montreal distributor of a well-known and reputable equipment manufacturer (Sturtz Machinery) in 2018. The contract was with the local distributor in Montreal and Sturtz commenced to manufacture the equipment in early 2018 upon payment of the initial deposit to the distributor. The manufacturer had substantially completed the unit by the end of 2018 and following ENERGI's inspection of the equipment in Dec-18, additional modifications were requested and promised to be completed by early 2019. Upon notification from the distributor that the modifications were completed by Sturtz and the equipment was ready to be shipped, the second instalment payment was made. The equipment was never shipped to ENERGI and the distributor filed for bankruptcy shortly thereafter. ENERGI's legal representation attended the bankruptcy hearing and learned that Sturtz only received a portion of the funds from the distributor for the ENERGI equipment, which they still have in their possession. There is no claim against the distributor due to secured debt obligations having preference over remaining funds & assets. However, ENERGI is currently negotiating with Sturtz to try and take possession of the equipment or return some of the deposit funds paid. ENERGI has paid approx. US\$380K (CAD\$506K), which has been recorded as CAPEX in 2018 and 2019. A meeting was held with Sturtz USA's CEO on Oct. 17th to explain ENERGI's position and request for the equipment. A follow up meeting was held with Sturtz USA's CEO on Nov. 14th and they have concluded to provide ENERGI with the equipment for no additional cost. ENERGI will need to run some tests on the unit in Sturtz's Ohio facility before arranging for the shipment to the Terrebonne plant. This will occur in Q1 2020

Executive Summary (Continued)

	Description	Potential Impact	Plan to Address
Risks	▪ 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 visit major customers to solidify ENERGI's relationship as a strategic partner through "Huddle" meetings ▪ Close on and lock in potential new customers – contacting several non-ENERGI customers and presenting our capabilities/innovations
	▪ Raw Material Costs	<ul style="list-style-type: none"> ▪ Resin, TiO2 and other raw material price increases impacting EBITDA ▪ Freight and logistics cost increases ▪ Reduction in profitability by using virgin material due to lack of supply 	<ul style="list-style-type: none"> ▪ VP Supply Chain conducting Global Sourcing search for alternative material suppliers ▪ Assessing regrind purchasing opportunities & customer scrap buy-back ▪ VP Supply Chain assisting plants with warehousing and logistics cost and resource optimization, as well as SIOP ▪ Hired SmartVentures to review logistics and packaging supplies
	▪ Terrebonne (Patio Doors)	<ul style="list-style-type: none"> ▪ Revenue and EBITDA loss ▪ Turnaround plan not achieved ▪ Employee retention 	<ul style="list-style-type: none"> ▪ Maintain stability of Terrebonne workforce ▪ Executing on labor balancing/planning ▪ Obtain new business and take market share – quoting several projects and new business opportunities with new customers ▪ Focus on order entry automation, improved metric visibilities and improvement in customer experience
	▪ 2019 Canadian Industry and Market continued softness	<ul style="list-style-type: none"> ▪ Revenue and EBITDA loss ▪ Employee retention issue 	<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
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 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"> ▪ Kick-off meeting held with DB&A on Nov 18th to support Woodbridge ▪ 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"> ▪ 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 continue to grow the sales pipeline for extrusion, patio door and external compound opportunities ▪ Completion and launch of Dark Cap opportunities in Everett ▪ Completion and launch of modular platform system in Woodbridge

Key Wins and Losses – October 2019



Key Wins

- None


Key Losses

- None


Key Initiatives Update

Initiative	Status	Recent Progress	Next Steps	Risks
1. Develop/Enhance Systems and Processes		<ul style="list-style-type: none"> • OBI project completed at Everett • OBI project at ECS completed • Manufacturing tooling status and production release process • APQP process training has been completed • Internal sample approval process has been completed 	<ul style="list-style-type: none"> • Finalize production run cards for alternative BOMs at Woodbridge, Delmont & Everett • OBI project at Laval – completed mapping processes and now reviewing training plan, videos and training room set up 	<ul style="list-style-type: none"> • Production planning inefficiencies • Labor planning inefficiencies
2. Develop Safety, Quality, Delivery & Cost culture		<ul style="list-style-type: none"> • Monthly Safety calls revised to include Plant Manager and Safety Coordinators • Forum used to share projects aimed to improve safety concerns, address safety culture dev., safety training and any safety issues 	<ul style="list-style-type: none"> • Build a culture of zero tolerance and training on hazard identification • Standardize 2Hr quality checks across all plants • Developing new processes to track productivity and yield 	<ul style="list-style-type: none"> • Disorganized plants impairs production efficiencies sends a negative message to customers



Key Initiatives Update (Continued)

Initiative	Status	Recent Progress	Next Steps	Risks
3. Develop Alternative Compounds		<ul style="list-style-type: none"> • Discussions ongoing with suppliers regarding alternative material compound and regrind – continuing to obtain quotes and test samples • Continuing to refine Natural PVC formula at ECS, reviewing costs to develop lab testing standard • Continued progress with purchasing regrind material with separate suppliers at Woodbridge, Laval, Everett and Delmont • Testing trials on mixed white regrind material with Bulldog Polymers – confirmed regrind originates from AAMA certified profiles • Awaiting AAMA test results on natural core profiles • Compound quotes from Westlake, Shintech and PolyOne unfavorable 	<ul style="list-style-type: none"> • Reviewing capabilities of each supplier, pricing quoted, material specifications and obtaining samples for testing • Awaiting AAMA test results on natural core profiles • Awaiting test standard data from lab for Natural Core testing in-house • Working with AAMA Task Group on how to deal with recycled material • End-cut Buy-back program – meeting with several customers from all extrusion plants to include in the program; using Energi approved third party grinders 	<ul style="list-style-type: none"> • Margin erosion due to rising resin, TiO2 and other additive costs • Loss of market share due to not being able to compete


Key Initiatives Update (Continued)

Initiative	Status	Recent Progress	Next Steps	Risks
4. Improve Terrebonne profitability		<ul style="list-style-type: none"> • Objective Based Instructions project – completed • KPIs being tracked and integrated into SQDC Boards • Daily labor tracking measurement in place and integrated into SQDC Boards • Ramp Up Ready meetings held to ensure plans are in place to handle demand • Cross training of target areas to create flexibility ongoing • Ostaco conversion to new Performer door • Atis opportunity – verbal agreement reached; first orders starting Oct. 1st; need to ramp up production and labor requirements; estimated 3,000 door opportunity annually with Contractor Segment (\$2M-\$2.25M) • ERP Phase 1 improvements completed 	<ul style="list-style-type: none"> • Working through Plant & Line Balancing plan – challenged with employee turnover and lack of skilled labor to hire • Reviewing several commercial growth opportunities – continuing to quote • Start-up on new Performer progressing at Dashwood & Golden • Caron et Guay start-up delayed to the start of next year • Focusing on order entry automation, improved metric visibilities and improved customer experience 	<ul style="list-style-type: none"> • Customer retention may also impact extrusion side of the business • EBITDA losses

Key Initiatives Update (Continued)

Initiative	Status	Recent Progress	Next Steps	Risks
5. Planning Disciplines and overall Communication Practices		<ul style="list-style-type: none"> • Weekly updates on status of “Big 3” initiatives and identify next initiatives once completed • Communications between plants and sharing of best practices conducted on a weekly basis • Visual Control Boards implemented to track progress on certain lines and improve change over times & yields • Weekly Tooling Status meetings being conducted • Implementation of APQP process with initial projects 	<ul style="list-style-type: none"> • Weekly Quality Assurance calls continue to evolve yielding improved team problem solving and systemic solution to issues • Schedule Monthly/Quarterly meetings with extended management team to communicate overall financial results, metrics and strategies • Standardize 2Hr quality checks at all plants 	<ul style="list-style-type: none"> • Lack of Accountability and Ownership from employees
6. Safety		<ul style="list-style-type: none"> • 12 recordable incidents YTD; 3 at Laval, Delmont and Terrebonne, 2 at Everett and 1 at Woodbridge • Weekly management safety meetings being held • Accelerating more aggressive safety program at Laval and Delmont 	<ul style="list-style-type: none"> • Enhance plant safety programs and accelerate the safety awareness culture at all plants • Incorporating safety reviews during GEMBA walks; additional communications 	

Key Initiatives Update (Continued)

Initiative	Status	Recent Progress	Next Steps	Risks
7. 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 2020 • Hard Drive Encryption (R6) – postponed to 2020 • Patch Mgmt (R7) – in process; dependent on Change Mgmt policies and procedures • Email Encryption (R8) – postponed to 2020 • Mobile Device Mgmt (R9) – evaluating MS solution or SOTI • Removable Media (R10) & Cloud-Based Apps (R11) – postponed to 2020 	<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 asking employee for gift cards - \$4K loss incurred (Feb-19)

Key Performance Indicators - Summary

Safety:

- One (1) recordable incident in October 2019: (i) Back Strain to 1 worker caused by incorrect posture when adjusting vacuum table on a line (Lost Time)
- October 2019 TRIR of 2.3 vs 2018 TRIR of 1.97; Total Recordable Cases – 13 for 2019 YTD vs 14 for 2018 FY & 16 for 2017 FY
- 34 months incident free record at ECS

Quality:

- Delmont – small quantity escapes and complaints from PGT and New Brunswick
- Everett - Customers cleaning out warehouses - West Coast Designed product from Mar 2019 to Aug 2019 & CDA product from 2018

Delivery:

- Terrebonne –Staff turnover and related training time resulted in delays in average turn around time affecting delivery. However, significant improvement from prior months

Efficiencies:

- Woodbridge yields impacted by shorter production runs due to product mix, cellular material issues & increased trial/testing costs
- Laval Alt/Regrind consumption ratio below target due to insufficient scrap generation (favorable yields) and Alt material purchases
- Everett Alt/Regrind consumption impacted by lack of correct regrind and insufficient scrap generation (favorable yields)

Inventory:

- Lower sales vs budget impacting inventory levels

Key Performance Indicators – Plant Summary

KPI Measure		2019 Targets	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	YTD 2019
Health & Safety													
# Recordables (affects TRIR)	# in Month	0	1	1	2	2	2	1	2	0	1	1	13
Woodbridge		0	0	0	0	0	1	0	0	0	0	0	1
Laval		0	1	1	0	0	0	1	0	0	0	0	3
Terrebonne		0	0	0	0	0	0	0	2	0	1	0	3
Delmont		0	0	0	2	1	0	0	0	0	0	0	3
Everett		0	0	0	0	1	1	0	0	0	0	1	3
ECS		0	0	0	0	0	0	0	0	0	0	0	0
Quality Performance													
Returns as % of sales	# of Plants Green	6	4	4	5	6	6	5	6	4	4	4	5
Woodbridge		0.30%	1.49%	0.53%	0.25%	0.01%	0.11%	0.37%	0.25%	0.75%	0.29%	0.26%	0.41%
Laval		0.78%	0.24%	0.38%	0.54%	0.68%	0.31%	0.77%	0.40%	0.25%	0.15%	0.73%	0.45%
Terrebonne		1.25%	1.57%	1.76%	0.58%	0.24%	0.53%	0.21%	1.08%	1.02%	0.89%	0.74%	0.82%
Delmont		0.30%	0.15%	0.27%	0.40%	0.08%	0.18%	0.17%	0.22%	0.37%	1.08%	0.79%	0.04%
Everett		0.60%	0.43%	0.32%	0.06%	0.40%	0.55%	0.42%	0.06%	0.28%	0.30%	0.87%	0.36%
ECS		0.20%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.14%	0.00%	0.00%
Delivery Performance													
% by line items	# of Plants Green	6	6	5	6	4	5	4	4	4	4	4	4
Woodbridge		99.0%	99.6%	98.8%	99.4%	98.1%	99.0%	95.3%	97.3%	97.2%	96.4%	98.2%	97.9%
Laval		99.0%	99.7%	99.8%	99.6%	99.8%	99.8%	99.7%	99.7%	99.6%	99.7%	99.8%	99.7%
Terrebonne ****		95.0%	95.4%	95.7%	95.6%	78.3%	80.3%	73.9%	71.1%	83.0%	89.0%	72.5%	83.5%
Delmont		99.0%	99.5%	99.4%	99.4%	99.3%	99.1%	99.4%	99.3%	99.1%	99.2%	99.4%	99.3%
Everett		99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%	99.9%
ECS		99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
% on time in full	# of Plants Green	6	6	6	6	5	5	5	5	5	5	5	5
Woodbridge		95.0%	99.6%	98.8%	99.4%	98.1%	99.0%	95.3%	97.3%	97.2%	96.4%	98.2%	97.9%
Laval		95.0%	99.7%	99.8%	99.6%	99.8%	99.8%	99.7%	99.7%	99.6%	99.7%	99.8%	99.7%
Terrebonne		95.0%	95.4%	95.7%	95.6%	78.3%	80.3%	73.9%	71.1%	83.0%	89.0%	72.5%	83.5%
Delmont		95.0%	99.7%	99.8%	99.7%	99.6%	99.6%	99.6%	99.7%	99.5%	99.6%	99.7%	99.6%
Everett		99.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.8%	100.0%	100.0%	100.0%	100.0%
ECS		99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Costs													
Yield*	# of Plants Green	5	3	3	3	3	3	4	3	3	3	4	3
Woodbridge		85.7%	84.7%	85.5%	85.2%	84.5%	85.0%	85.9%	86.2%	85.0%	85.2%	85.5%	85.3%
Laval		84.0%	85.5%	85.2%	86.9%	88.0%	87.3%	87.3%	86.2%	87.5%	88.6%	88.7%	87.2%
Delmont		85.7%	81.4%	82.7%	83.3%	83.4%	82.8%	82.2%	82.3%	83.6%	83.4%	85.8%	83.1%
Everett		85.7%	90.9%	91.2%	90.9%	89.0%	90.7%	90.7%	83.8%	89.8%	90.2%	89.5%	89.8%
ECS		99.2%	99.5%	99.6%	99.8%	99.8%	99.9%	99.5%	99.6%	99.5%	99.5%	99.2%	99.6%

Notes: * Not measured at TB; ** Excluding TB; ***TB is # Concerns/100k Sales **** Change in calculation method for TB retroactively restated to Jan 18

Key Performance Indicators – Plant Summary (Cont’d)

KPI Measure		2019 Targets	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	YTD 2019
Costs													
Alt. Compound Consumption Ratio*		5	3	2	4	2	2	2	1	2	3	3	2
Woodbridge		19.9%	17.4%	20.1%	20.0%	18.4%	18.4%	18.7%	16.7%	16.9%	21.1%	20.2%	18.7%
Laval		20.9%	20.2%	19.4%	18.4%	16.3%	19.9%	20.2%	19.0%	18.9%	14.2%	18.0%	18.4%
Delmont		17.1%	25.4%	19.8%	19.5%	23.3%	17.9%	20.8%	18.5%	28.0%	23.8%	24.1%	22.1%
Everett		20.0%	32.0%	18.4%	21.4%	18.3%	17.3%	16.4%	19.8%	19.6%	17.9%	17.0%	19.8%
ECS		0.0%	0.4%	0.1%	0.4%	0.6%	0.6%	0.3%	0.0%	0.4%	0.4%	0.3%	0.2%
Inventory													
Days - TTM*	# of Plants Green	5	2	1	3	3	3	2	2	2	2	2	
Woodbridge		54.1	57.3	59.1	61.8	63.6	63.8	64.5	65.6	67.1	68.0	68.9	
Laval		69.3	66.7	66.4	67.7	69.0	68.4	69.8	70.3	70.2	70.2	71.3	
Terrebonne		71.0	74.8	71.4	70.2	68.8	66.3	64.8	62.3	61.9	61.7	62.6	
Delmont		58.7	62.0	62.1	64.6	66.8	67.4	70.0	71.0	73.0	72.8	73.9	
Everett		84.5	84.4	85.6	87.2	87.8	88.8	91.7	92.7	93.6	92.9	92.7	
ECS		46.0	50.0	49.0	42.0	41.0	32.0	31.0	43.0	41.9	41.7	41.9	
Customer Service													
Customer Experience - NPS Improvement		20%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Customer Complaints - per MLBS ***													
	# of Plants Green	6	5	4	2	4	3	3	5	5	4	4	4
Woodbridge		3.2	2.6	2.3	3.0	3.1	4.9	3.4	1.8	2.3	3.0	2.7	2.9
Laval		22.5	16.0	23.0	33.0	36.0	44.0	23.5	13.5	18.3	24.9	23.4	25.6
Terrebonne		3.2	4.0	3.9	3.6	3.7	3.4	2.0	2.0	1.9	3.9	3.4	3.2
Delmont		3.2	2.8	3.2	3.7	2.9	3.0	3.4	3.6	4.8	2.8	2.5	3.3
Everett		8.0	1.7	2.8	4.1	2.1	2.4	3.8	2.8	4.4	2.2	4.0	3.0
ECS		0.3	0.3	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.3	0.0	0.1
Customer Retention		100%	100.0%	100.0%	98.9%	100.0%	99.4%	100.0%	100.0%	100.0%	100.0%	100.0%	98.3%
Employees													
Employee Engagement		80%	76.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Employee Retention		90%	99.2%	98.1%	99.2%	98.4%	98.5%	98.3%	98.0%	98.9%	98.7%	98.8%	98.8%

Notes: * Not measured at TB; ** Excluding TB; ***TB is # Concerns/100k Sales **** Change in calculation method for TB retroactively restated to Jan 18

Consolidated Summary P&L – October 2019

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	9,067	9,637	(570)	(5.9%)	83,701	93,360	(9,659)	(10.3%)
Units Shipped ('000)	9,699	10,255	(557)	(5.4%)	82,421	94,088	(11,667)	(12.4%)
Bookings (\$'000)	\$ 16,419	\$ 17,403	\$ (984)	(5.7%)	\$ 140,788	\$ 155,410	\$ (14,622)	(9.4%)
Backlog ('\$000)	\$ 10,685	\$ 13,594	\$ (2,909)	(21.4%)	\$ 10,685	\$ 13,594	\$ (2,909)	(21.4%)
Gross Revenue	\$ 16,974	\$ 17,766	\$ (792)	(4.5%)	\$ 141,998	\$ 160,800	\$ (18,802)	(11.7%)
Adj. to Gross Revenue	(1,042)	(983)	(59)	6.0%	(7,261)	(8,419)	1,158	(13.8%)
Net Revenue	15,932	16,782	(851)	(5.1%)	134,737	152,381	(17,644)	(11.6%)
Material	8,001	8,457	(456)	(5.4%)	65,841	75,954	(10,112)	(13.3%)
Labor	3,222	3,337	(116)	(3.5%)	30,576	32,258	(1,681)	(5.2%)
Other COGS	1,998	2,013	(15)	(0.8%)	15,466	16,954	(1,488)	(8.8%)
Total COGS	13,221	13,807	(586)	(4.2%)	111,884	125,166	(13,282)	(10.6%)
Gross Margin	2,711	2,975	(264)	(8.9%)	22,854	27,216	(4,362)	(16.0%)
Gross Margin %	17.0%	17.7%			17.0%	17.9%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	617	583	34	5.8%	5,681	6,036	(355)	(5.9%)
Administrative	990	1,094	(104)	(9.5%)	9,783	10,656	(874)	(8.2%)
Other Opex	(37)	(20)	(17)	87.7%	(289)	(192)	(97)	50.5%
Total Opex	1,569	1,657	(88)	(5.3%)	15,175	16,501	(1,325)	(8.0%)
EBITDA	1,142	1,318	(177)	(13.4%)	7,678	10,715	(3,037)	(28.3%)
EBITDA %	7.2%	7.9%			5.7%	7.0%		
Net Income (Loss)	\$ 116	\$ 59	\$ 57	96.5%	\$ (2,930)	\$ (1,862)	\$ (1,068)	57.4%
Capex	\$ (522)	\$ (398)	\$ (125)	31.3%	\$ (5,521)	\$ (7,204)	\$ 1,683	(23.4%)
Opex Overview:								
Payroll	\$ 844	\$ 943	\$ (99)	(10.5%)	\$ 8,435	\$ 8,990	\$ (556)	(6.2%)
Bonus	113	113	(1)	(0.7%)	1,122	1,134	(12)	(1.0%)
Commissions	21	30	(9)	(31.1%)	208	299	(90)	(30.3%)
Marketing	209	109	99	90.7%	1,335	1,476	(142)	(9.6%)
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	89	132	(43)	(32.4%)	915	1,330	(415)	(31.2%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	29	27	1	5.0%	269	284	(16)	(5.5%)
Professional fees	60	45	16	35.7%	543	489	55	11.2%
Office Expenses	24	26	(2)	(7.3%)	216	241	(25)	(10.4%)
IT	171	182	(10)	(5.7%)	1,583	1,733	(150)	(8.7%)
Bad Debts	(0)	(0)	0	(84.7%)	123	(4)	127	(3304.9%)
FX	(21)	–	(21)	N/A	(151)	–	(151)	N/A
JV Loss (Income)	(16)	(20)	4	(19.6%)	(137)	(192)	54	(28.3%)
Other Expenses	48	70	(23)	(32.1%)	714	720	(6)	(0.8%)
Total Opex	\$ 1,569	\$ 1,657	\$ (88)	(5.3%)	\$ 15,175	\$ 16,501	\$ (1,326)	(8.0%)

Management Discussion

Net Revenue – Oct -\$851K:

- Extrusion external sales volume unfavorable by 7.7% or \$1,084K due to lower demand from both Canadian and US customers; with lower sales out of Woodbridge by \$698K, Delmont by \$325K and Everett by \$232K; partially offset by higher sales out of Laval by \$171K
- Patio Door gross sales were ahead of Budget by \$199K mainly driven by increased demand from Abritek and Isothermic. External compound sales were ahead of Budget by \$52K due to increased orders from Nuform and The Vinyl Company
- Favorable product/customer mix impact of \$200K primarily from Woodbridge and Delmont, partially offset by Terrebonne; Unfavorable rebates & discounts variance of \$37K driven by rebate adjs at Laval for Schluter, Atlantic and Solaris; and higher returns & allowances by \$33K due to higher returns at Laval and Delmont due to quality escapes
- Unfavorable F/X impact of \$148K (actual rate of 1.3190 [or \$USD 0.7581] vs. Budget rate of 1.30 [or \$USD 0.7692])

EBITDA – Oct -\$177K:

- Material COGS:** Decrease of \$456K primarily due to the volume and mix impact of \$600K from lower sales; favorable resin material prices (net of higher TiO2, glass, steel and aluminum pricing) of \$179K and favorable scrap at ECS of \$25K; offset by unfavorable yields and lower regrind usage of \$348K at Woodbridge and Everett (net of improved yields at Laval & Delmont) due to tool trials, dark capstock launch & customer returns
- Labor COGS:** Decrease of \$116K due to a volume impact of \$24K, a favorable impact of \$48K from headcount reduction initiatives and improved labor efficiency at Delmont, Terrebonne & ECS, a non-recurring WSIB claim refund of \$14K at Laval and a favorable F/X impact of \$30K
- Other COGS:** Decrease of \$15K comprised of: lower freight costs due to sales volume and customer mix of \$89K; higher tool & die overhead recovery of \$87K and a favorable F/X impact of \$17K; offset by an unfavorable absorption impact of \$133K as a result of selling more out of inventory and lower production than Plan and higher overhead spending (ie. Maintenance and utilities) of \$45K
- Sales and Marketing:** Higher marketing costs (timing) of \$96K; offset by lower payroll costs of \$26K, lower T&E costs of \$10K and a favorable F/X impact of \$7K
- Administrative:** Lower payroll costs of \$65K due to lower headcount, lower T&E spend of \$33K and a favorable F/X impact of \$9K
- Other Opex:** Favorable realized F/X re-valuation impact of \$21K due to net USD working capital held by the Canadian entity (change in F/X from 1.3246 on September 30th, 2019 to 1.3156 on October 31st, 2019)

Consolidated Summary P&L (vs PY) – October 2019

\$'000	MTD		Var		YTD		Var	
	Act	PY-Act	\$	%	Act	PY-Act	\$	%
Units Produced ('000)	9,067	7,806	1,261	16.2%	83,701	83,037	664	0.8%
Units Shipped ('000)	9,699	9,798	(99)	(1.0%)	82,421	90,496	(8,075)	(8.9%)
Bookings (\$'000)	\$ 16,419	\$ 17,224	\$ (805)	(4.7%)	\$ 140,788	\$ 152,196	\$ (11,409)	(7.5%)
Backlog ('\$000)	\$ 10,685	\$ 11,101	\$ (416)	(3.7%)	\$ 10,685	\$ 11,101	\$ (416)	(3.7%)
Gross Revenue	\$ 16,974	\$ 17,130	\$ (156)	(0.9%)	\$ 141,998	\$ 155,892	\$ (13,894)	(8.9%)
Adj. to Gross Revenue	(1,042)	(897)	(145)	16.2%	(7,261)	(8,229)	968	(11.8%)
Net Revenue	15,932	16,233	(301)	(1.9%)	134,737	147,662	(12,925)	(8.8%)
Material	8,001	8,341	(339)	(4.1%)	65,841	71,852	(6,010)	(8.4%)
Labor	3,222	2,984	238	8.0%	30,576	33,029	(2,453)	(7.4%)
Other COGS	1,998	2,316	(319)	(13.8%)	15,466	18,272	(2,806)	(15.4%)
Total COGS	13,221	13,641	(420)	(3.1%)	111,884	123,153	(11,269)	(9.2%)
Gross Margin	2,711	2,592	119	4.6%	22,854	24,509	(1,656)	(6.8%)
Gross Margin %	17.0%	16.0%			17.0%	16.6%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	617	516	101	19.6%	5,681	6,025	(344)	(5.7%)
Administrative	990	869	121	13.9%	9,783	8,641	1,142	13.2%
Other Opex	(37)	0	(37)	(25938.5%)	(289)	(3)	(285)	8652.6%
Total Opex	1,569	1,384	185	13.4%	15,175	14,662	513	3.5%
EBITDA	1,142	1,207	(66)	(5.4%)	7,678	9,847	(2,169)	(22.0%)
EBITDA %	7.2%	7.4%			5.7%	6.7%		
Net Income (Loss)	\$ 116	\$ (337)	\$ 454	(134.5%)	\$ (2,930)	\$ (1,609)	\$ (1,321)	82.1%
Capex	\$ (522)	\$ (991)	\$ 469	(47.3%)	\$ (5,521)	\$ (7,974)	\$ 2,453	(30.8%)
Opex Overview:								
Payroll	\$ 844	\$ 842	\$ 2	0.2%	\$ 8,435	\$ 8,751	\$ (316)	(3.6%)
Bonus	113	–	113	N/A	1,122	159	963	605.9%
Commissions	21	17	3	18.6%	208	164	44	26.7%
Marketing	209	84	125	149.5%	1,335	1,423	(89)	(6.2%)
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	89	105	(16)	(15.1%)	915	1,060	(145)	(13.7%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	29	30	(1)	(3.1%)	269	281	(13)	(4.5%)
Professional fees	60	52	8	15.8%	543	492	52	10.5%
Office Expenses	24	21	3	13.4%	216	247	(31)	(12.5%)
IT	171	140	32	22.6%	1,583	1,372	211	15.3%
Bad Debts	(0)	(12)	12	(99.5%)	123	(81)	204	(252.3%)
FX	(21)	26	(47)	(181.6%)	(151)	186	(337)	(181.5%)
JV Loss (Income)	(16)	(26)	10	(38.5%)	(137)	(189)	52	(27.3%)
Other Expenses	48	106	(58)	(54.8%)	714	796	(81)	(10.2%)
Total Opex	\$ 1,569	\$ 1,384	\$ 185	13.4%	\$ 15,175	\$ 14,662	\$ 513	3.5%

Management Discussion

Net Revenue – Oct MTD -\$301K:

- Extrusion external sales volume unfavorable by 4.8% or \$653K due to lower demand from Canadian customers and lost business (Ventana, J-W, KP, Thompson Creek); with lower sales out of Woodbridge by \$480K, Laval by \$16K, Delmont by \$70K and and Everett by \$86K
- Patio Door gross sales were ahead of Prior Year by \$78K mainly driven by increased demand from Abritek, Vaillancourt and Isothermic. External compound sales were ahead of Prior Year by \$175K due to increases from Nuform, The Vinyl Company and Window Seal
- Favorable product/customer mix impact of \$394K primarily from Woodbridge, Laval, Delmont and Terrebonne; Unfavorable rebates & discounts variance of \$109K driven by rebate adjs at Laval for Schluter, Atlantic and Solaris; and higher returns & allowances by \$47K due to higher returns at Woodbridge and Delmont due to quality escapes
- Unfavorable F/X impact of \$139K (actual rate of 1.3241 [or \$USD 0.7552] vs. Prior Year rate of 1.3010 [or \$USD 0.7686])

EBITDA – Oct MTD -\$66K:

- Unfavorable impact to Gross Margin of \$66K due to extrusion volume shortfall and unfavorable rebates/discounts/returns partially offset by favorable customer/product mix
- Favorable material costs despite increased production volumes driven by improved yields and regrind usage at Laval, Delmont and ECS; offsetting unfavorable Woodbridge production issues of \$101K (lower yields, regrind usage and increased JV scrap) and overall higher material cost PPV (TiO2, Tin Stabilizers, glass, aluminum, steel)
- Labor costs were higher by \$238K due to the 2019 bonus accrual expense of \$102K and increased production volume impact of \$282K, offset by headcount reduction initiatives & improved labor efficiency of \$118K and a favorable F/X impact of \$28K
- Other COGS lower than the Prior Year as a result of lower freight costs of \$132K, a favorable absorption impact of \$406K as a result of producing more than Prior Year and a favorable F/X impact of \$16K; partially offset by higher overhead spending of \$235K (utilities, maintenance, tool & die recovery)
- Sales and Marketing expenses increased as a result of higher marketing costs due to timing partially offset by lower T&E costs
- Administrative costs impacted by the 2019 bonus accrual reversal expense of \$113K
- JV equity loss/(income) pickup impacted by lower volumes in the current year

October 2019 Net Sales Bridge

(In Thousands of US Dollars)

	Woodbridge	Laval	Delmont	Everett	ECS	Terrebonne	Group Office	Adj.	Total
Net Sales Budget, as reported (A)	\$ 4,515	\$ 3,302	\$ 3,671	\$ 2,590	\$ 6,520	\$ 2,098	\$ 17	\$ (5,931)	\$ 16,782
Volume impact (external sales)	(698)	171	(325)	(232)	52	199	-	-	(832)
Volume impact (intercompany sales)	116	71	(4)	-	(826)	-	-	643	-
Rebates & discounts	61	(104)	4	17	2	(25)	8	-	(37)
Price / Mix impact	220	(3)	172	(54)	(1)	(117)	(17)	-	200
Returns & allowances	(5)	(12)	(28)	2	-	10	-	-	(33)
Other - F/X	(58)	(47)	(0)	(0)	(12)	(31)	0	(0)	(148)
Actual Net Sales (B)	\$ 4,151	\$ 3,379	\$ 3,490	\$ 2,322	\$ 5,736	\$ 2,134	\$ 8	\$ (5,288)	\$ 15,932
Actual vs Budget, as reported Variance (B) - (A)	\$ (365)	\$ 77	\$ (181)	\$ (267)	\$ (784)	\$ 36	\$ (9)	\$ 643	\$ (851)
Actual vs Prior Year, as reported Variance	\$ (264)	\$ (40)	\$ 19	\$ (92)	\$ 26	\$ 94	\$ 8	\$ (51)	\$ (301)
Actual YTD vs Budget YTD, as reported Variance	\$ (6,432)	\$ (1,570)	\$ (3,166)	\$ (3,534)	\$ (3,649)	\$ (1,035)	\$ (137)	\$ 1,879	\$ (17,644)
Actual YTD vs Prior Year YTD, as reported Variance	\$ (7,668)	\$ (2,422)	\$ 272	\$ (2,744)	\$ (7,989)	\$ (540)	\$ (72)	\$ 8,238	\$ (12,925)

October 2019 EBITDA 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>
EBITDA Budget, as reported (A)	\$ 248	\$ 504	\$ 682	\$ 174	\$ (140)	\$ 17	\$ (166)	\$ -	\$ 1,318
Volume & Mix impact	100	(65)	37	(149)	(14)	(14)	33	-	(72)
Labor - DL/IDL FAV/(UNF)	(44)	13	49	10	16	(16)	-	-	27
Alt. Materials FAV/(UNF)	(142)	22	(89)	(139)	-	-	-	-	(348)
Other Materials - FAV/(UNF)	(28)	9	11	(10)	267	(43)	-	-	206
Absorption impact FAV/(UNF)	(104)	42	(176)	74	3	28	-	-	(133)
Overhead Spending FAV/(UNF)	(15)	(20)	48	65	(58)	20	-	-	40
Other	8	(9)	3	17	40	(17)	62	-	104
Actual EBITDA (B)	\$ 23	\$ 496	\$ 564	\$ 41	\$ 113	\$ (24)	\$ (71)	\$ -	\$ 1,142
Actual vs Budget, as reported Variance (B) - (A)	\$ (225)	\$ (8)	\$ (117)	\$ (133)	\$ 253	\$ (41)	\$ 95	\$ -	\$ (177)
Actual vs Prior Year, as reported Variance	\$ (108)	\$ 79	\$ 134	\$ 21	\$ (0)	\$ 177	\$ (368)	\$ -	\$ (66)
Actual YTD vs Budget YTD, as reported Variance	\$ (2,712)	\$ (293)	\$ (1,170)	\$ (2,097)	\$ 2,684	\$ (427)	\$ 841	\$ 136	\$ (3,037)
Actual YTD vs Prior Year YTD, as reported Variance	\$ (598)	\$ 643	\$ 1,384	\$ (745)	\$ (967)	\$ 1,262	\$ (3,285)	\$ 136	\$ (2,169)

Strategic Plan Update – Summary of Alternative Materials Initiative

(In Thousands of US Dollars)

	Oct-19			Oct-19 YTD			Comments
	Actual	Budget	Variance FAV/(UNF)	Actual	Budget	Variance FAV/(UNF)	
Woodbridge - Scrap Variance ⁽¹⁾	\$ (51)	\$ 32	\$ (83)	\$ (488)	\$ 314	\$ (802)	Cellular material issues, increased trials and JV pitting Lower regrind usage due to product mix and process issues
Woodbridge - Alt Materials Usage ⁽²⁾	\$ 89	\$ 148	\$ (59)	\$ 975	\$ 1,349	\$ (374)	
Woodbridge - Total	\$ 39	\$ 181	\$ (142)	\$ 487	\$ 1,663	\$ (1,176)	
Laval - Scrap Variance ⁽¹⁾	\$ 32	\$ -	\$ 32	\$ 211	\$ 20	\$ 191	Favorable yields due to longer runs and product mix Lower regrind usage due to lower availability & improved yields
Laval - Alt Materials Usage ⁽²⁾	\$ 66	\$ 77	\$ (10)	\$ 525	\$ 588	\$ (63)	
Laval - Total	\$ 99	\$ 77	\$ 22	\$ 735	\$ 608	\$ 128	
Delmont - Scrap Variance ⁽¹⁾	\$ 57	\$ 123	\$ (66)	\$ 736	\$ 1,109	\$ (373)	Favorable yields offset by FG scrap and higher dark cap usage Reduced regrind usage due to lower volumes and scrap sold
Delmont - Alt Materials Usage ⁽²⁾	\$ 56	\$ 79	\$ (23)	\$ 466	\$ 735	\$ (269)	
Delmont - Total	\$ 113	\$ 202	\$ (89)	\$ 1,202	\$ 1,844	\$ (642)	
Everett - Scrap Variance ⁽¹⁾	\$ (41)	\$ 59	\$ (99)	\$ (442)	\$ (259)	\$ (183)	Higher scrap due to increased trials and customer returns Lower regrind usage due to volumes and external supply
Everett - Alt Materials Usage ⁽²⁾	\$ 26	\$ 65	\$ (40)	\$ 1,074	\$ 1,456	\$ (382)	
Everett - Total	\$ (15)	\$ 124	\$ (139)	\$ 632	\$ 1,197	\$ (565)	
Total Scrap Variance ⁽¹⁾	\$ (1)	\$ 214	\$ (216)	\$ 17	\$ 1,184	\$ (1,168)	
Total Alt Materials Usage ⁽²⁾	\$ 237	\$ 369	\$ (132)	\$ 3,039	\$ 4,127	\$ (1,088)	
Grand Total	\$ 235	\$ 583	\$ (348)	\$ 3,056	\$ 5,312	\$ (2,256)	

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)

	Q1-19	Q2-19	Q3-19	Oct-19	YTD
Budget Production Volume (Lbs)	24,736	29,409	29,578	9,637	93,360
Actual Production Volume (Lbs)	23,546	25,123	25,965	9,067	83,701
Increased/(Decreased) Production - %	-4.8%	-14.6%	-12.2%	-5.9%	-10.3%
Direct Labor:					
Budget Direct Labor	\$ 4,262	\$ 4,864	\$ 4,924	\$ 1,617	\$ 15,668
Deduct: Budget Direct Labor - Terrebonne	687	823	851	287	2,648
Budget Direct Labor - Extrusion & Compounding (A)	\$ 3,575	\$ 4,041	\$ 4,073	\$ 1,330	\$ 13,019
Budget Direct Labor (Flexed for Actual Volume) (B)	\$ 3,403	\$ 3,452	\$ 3,575	\$ 1,251	\$ 11,672
Actual Direct Labor	\$ 3,908	\$ 4,374	\$ 4,822	\$ 1,567	\$ 14,670
Deduct: Actual Direct Labor - Terrebonne	515	793	958	330	2,596
Actual Direct Labor - Extrusion & Compounding (C)	\$ 3,393	\$ 3,580	\$ 3,863	\$ 1,237	\$ 12,074
Direct Labor Savings - Extrusion & Compounding - FAV(UNF)					
Actual vs. Budget [(A) - (C)]	<u>\$ 182</u>	<u>\$ 461</u>	<u>\$ 210</u>	<u>\$ 93</u>	<u>\$ 946</u>
Actual vs. Budget (Flexed for Actual Volume) [(B) - (C)]	<u>\$ 11</u>	<u>\$ (128)</u>	<u>\$ (288)</u>	<u>\$ 14</u>	<u>\$ (401)</u>
Indirect Labor:					
Budget Indirect Labor	\$ 4,467	\$ 4,694	\$ 4,776	\$ 1,616	\$ 15,553
Deduct: Budget Indirect Labor - Terrebonne	297	313	319	111	1,041
Budget Indirect Labor - Extrusion & Compounding (A)	\$ 4,170	\$ 4,380	\$ 4,457	\$ 1,505	\$ 14,512
Budget Indirect Labor (Flexed for Actual Volume) (B)	\$ 4,130	\$ 4,253	\$ 4,348	\$ 1,487	\$ 14,212
Actual Indirect Labor	\$ 4,343	\$ 4,500	\$ 4,497	\$ 1,553	\$ 14,893
Deduct: Actual Indirect Labor - Terrebonne	260	238	252	92	842
Actual Indirect Labor - Extrusion & Compounding (C)	\$ 4,082	\$ 4,262	\$ 4,246	\$ 1,461	\$ 14,051
Indirect Labor Savings - Extrusion & Compounding - FAV(UNF)					
Actual vs. Budget [(A) - (C)]	<u>\$ 88</u>	<u>\$ 119</u>	<u>\$ 211</u>	<u>\$ 43</u>	<u>\$ 461</u>
Actual vs. Budget (Flexed for Actual Volume) [(B) - (C)]	<u>\$ 48</u>	<u>\$ (9)</u>	<u>\$ 102</u>	<u>\$ 26</u>	<u>\$ 161</u>
SG&A Labor - Consolidated:					
Budget SG&A Labor	\$ 2,585	\$ 2,711	\$ 2,752	\$ 943	\$ 8,990
Actual SG&A Labor	\$ 2,475	\$ 2,607	\$ 2,508	\$ 844	\$ 8,435
SG&A Labor Savings - FAV(UNF)	<u>\$ 109</u>	<u>\$ 103</u>	<u>\$ 243</u>	<u>\$ 99</u>	<u>\$ 555</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)

	Q1-19	Q2-19	Q3-19	Oct-19	YTD
Budget Production Volume (Lbs)	24,736	29,409	29,578	9,637	93,360
Budget Direct Labor - Consolidated	\$ 4,262	\$ 4,864	\$ 4,924	\$ 1,617	\$ 15,668
Deduct:					
Budget Direct Labor - Terrebonne	\$ 687	\$ 823	\$ 851	\$ 287	\$ 2,648
Budget Total Labor - Extrusion & Compounding	<u>\$ 3,575</u>	<u>\$ 4,041</u>	<u>\$ 4,073</u>	<u>\$ 1,330</u>	<u>\$ 13,019</u>
Budget Direct Labor \$ / Lb Manufactured	\$ 0.145	\$ 0.137	\$ 0.138	\$ 0.138	\$ 0.139
Actual Production Volume (Lbs)	23,546	25,123	25,965	9,067	83,701
Actual Direct Labor - Consolidated	\$ 3,908	\$ 4,374	\$ 4,822	\$ 1,567	\$ 14,670
Deduct:					
Actual Direct Labor - Terrebonne	\$ 515	\$ 793	\$ 958	\$ 330	\$ 2,596
Actual Direct Labor - Extrusion & Compounding	<u>\$ 3,393</u>	<u>\$ 3,580</u>	<u>\$ 3,863</u>	<u>\$ 1,237</u>	<u>\$ 12,074</u>
Actual Direct Labor \$/Lb Manufactured	\$ 0.144	\$ 0.143	\$ 0.149	\$ 0.136	\$ 0.144
Budget Casual / Temp Direct Labor - Consolidated	\$ 316	\$ 372	\$ 365	\$ 101	\$ 1,154
Deduct:					
Budget Casual / Temp Direct Labor - Terrebonne	\$ 25	\$ 120	\$ 89	\$ 22	\$ 256
Budget Total Casual / Temp Labor - Extrusion & Compounding	<u>\$ 291</u>	<u>\$ 252</u>	<u>\$ 276</u>	<u>\$ 80</u>	<u>\$ 899</u>
Budget Casual / Temp Direct Labor \$ / Lb Manufactured	\$ 0.012	\$ 0.009	\$ 0.009	\$ 0.008	\$ 0.010
Actual Casual / Temp Direct Labor - Consolidated	\$ 179	\$ 316	\$ 702	\$ 191	\$ 1,387
Deduct:					
Actual Casual / Temp Direct Labor - Terrebonne	\$ 22	\$ 130	\$ 322	\$ 93	\$ 566
Actual Casual / Temp Direct Labor - Extrusion & Compounding	<u>\$ 157</u>	<u>\$ 185</u>	<u>\$ 380</u>	<u>\$ 98</u>	<u>\$ 821</u>
Actual Casual / Temp Direct Labor \$/Lb Manufactured	\$ 0.007	\$ 0.007	\$ 0.015	\$ 0.011	\$ 0.010

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Business Unit Analysis

Revenue and EBITDA Bridge

\$'000	MTD		QTD		YTD	
	Net Revenue	EBITDA	Net Revenue	EBITDA	Net Revenue	EBITDA
Budget	\$ 16,782	\$ 1,318	\$ 16,782	\$ 1,318	\$ 152,381	\$ 10,715
<u>Net Revenue Delta</u>						
Volume	(832)	(132)	(832)	(132)	(17,988)	(5,226)
Pricing	—	—	—	—	—	—
Mix	199	199	199	199	1,091	869
Discounts	13	13	13	13	292	292
Returns	(33)	(33)	(33)	(33)	44	44
Rebates	(50)	(50)	(50)	(50)	736	736
F/X	(148)	(51)	(148)	(51)	(1,819)	(655)
Total Net Revenue Delta	(851)	(54)	(851)	(54)	(17,644)	(3,941)
<u>Cost Delta</u>						
Absorption		(133)		(133)		(247)
SG&A		50		50		887
Variances		(82)		(82)		(604)
Other		42		42		868
Total Cost Delta		(123)		(123)		904
Actual	\$ 15,932	\$ 1,142	\$ 15,932	\$ 1,142	\$ 134,737	\$ 7,678

Management Discussion - MTD

- Extrusion external sales volume unfavorable by 7.7% or \$1,084K, offset by higher Terrebonne sales of \$199K and higher external compound sales by \$52K contributing to the unfavorable volume impact of \$832K
- Favorable product/customer sales mix of \$199K primarily from Woodbridge and Delmont, partially offset by unfavorable mix at Terrebonne
- Unfavorable F/X impact of \$148K (actual rate of 1.3190 [or \$USD 0.7581] vs. Budget rate of 1.30 [or \$USD 0.7692]); Translation F/X impact on EBITDA is unfavorable by \$72K, partially offset by a favorable realized balance sheet re-valuation impact of \$21K due to a change in the month-end rate from 1.3246 on September 30th, 2019 to 1.3156 on October 31st, 2019
- Favorable SG&A due to lower G&A labor & benefits costs and lower OPEX spending (ie. T&E costs)
- Unfavorable variances of \$82K due to unfavorable yields, higher scrap costs and lower regrind usage at Woodbridge & Everett of \$348K, partially offset by favorable resin material prices and favorable scrap at ECS of \$204K (net of higher TiO₂, glass, steel and aluminum pricing), lower labor costs of \$48K (exclusive of volume impacts) and a non-recurring WSIB claim refund of \$14K at Laval
- Other costs lower than Budget due to higher tool & die overhead recovery of \$87K offset by higher overhead spending (ie. Maintenance, factory supplies and utilities) of \$45K

Key Customers – Gross Sales and Gross Margin %: Consolidated

	Gross Sales (\$'000)														Gross Margin %													
	QTD		Var		PY-QTD	Var		YTD		Var		PY-YTD	Var		QTD		Var		PY-QTD	Var		YTD		Var		PY-YTD	Var	
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	BPs	%	Act	Bud	BPs	%	Act	BPs	%
Customer:																												
PGT Industries Inc	\$ 1,998	\$ 2,179	\$ (181)	(8.3%)	\$ 2,015	\$ (17)	(0.9%)	\$ 19,062	\$ 20,375	\$ (1,313)	(6.4%)	\$ 18,479	\$ 583	3.2%	21.1%	18.2%	288	15.8%	18.0%	306	17.0%	19.4%	18.3%	113	6.2%	15.0%	441	29.4%
Eclipse Shutter Systems	1,151	1,365	(213)	(15.6%)	1,361	(209)	(15.4%)	11,130	13,275	(2,146)	(16.2%)	13,156	(2,026)	(15.4%)	3.5%	3.2%	23	7.2%	7.5%	(405)	(53.9%)	3.1%	3.2%	(16)	(5.1%)	6.1%	(308)	(50.2%)
Atis	818	986	(167)	(17.0%)	1,189	(370)	(31.2%)	6,327	7,974	(1,647)	(20.7%)	9,312	(2,985)	(32.1%)	(15.9%)	(19.0%)	316	(16.6%)	(4.9%)	(1,100)	225.3%	(16.1%)	(18.8%)	269	(14.3%)	(15.3%)	(80)	5.3%
Simonton	901	1,033	(131)	(12.7%)	905	(4)	(0.4%)	8,037	9,329	(1,292)	(13.8%)	8,902	(865)	(9.7%)	10.6%	17.7%	(709)	(40.0%)	7.1%	348	48.7%	12.7%	17.2%	(457)	(26.5%)	9.4%	325	34.5%
Quaker Window Products	690	524	166	31.6%	479	211	44.1%	4,755	5,082	(327)	(6.4%)	4,374	381	8.7%	11.0%	11.0%	0	0.0%	11.7%	(71)	(6.0%)	11.0%	11.0%	0	0.0%	8.5%	250	29.4%
Ostaco 2000	335	447	(112)	(25.1%)	402	(67)	(16.7%)	2,640	3,216	(576)	(17.9%)	3,189	(549)	(17.2%)	13.1%	7.5%	560	75.1%	22.0%	(898)	(40.8%)	10.2%	7.7%	251	32.7%	20.6%	(1,044)	(50.6%)
SOLARIS QUEBEC P & F INC.	464	444	20	4.4%	486	(22)	(4.6%)	3,722	3,517	205	5.8%	3,666	56	1.5%	23.4%	23.9%	(49)	(2.0%)	12.2%	1,121	91.7%	24.0%	23.9%	8	0.3%	10.0%	1,405	141.0%
Dashwood Industries Inc	397	413	(16)	(3.9%)	405	(8)	(2.0%)	2,744	3,057	(313)	(10.2%)	3,234	(490)	(15.2%)	16.4%	14.2%	229	16.2%	13.8%	269	19.6%	16.6%	14.4%	222	15.5%	16.1%	49	3.1%
Windsor Window Co OEM	348	382	(34)	(8.9%)	248	99	40.0%	3,241	3,052	189	6.2%	2,968	273	9.2%	25.5%	23.7%	178	7.5%	10.2%	1,534	150.5%	23.7%	23.7%	3	0.1%	8.4%	1,537	183.4%
All Weather	391	615	(224)	(36.4%)	426	(35)	(8.2%)	3,771	6,031	(2,260)	(37.5%)	2,777	994	35.8%	12.1%	15.0%	(292)	(19.4%)	13.4%	(126)	(9.5%)	12.1%	14.8%	(271)	(18.3%)	12.6%	(56)	(4.5%)
Polaris Technologies	389	510	(121)	(23.7%)	378	11	2.9%	4,341	4,982	(641)	(12.9%)	3,015	1,326	44.0%	12.7%	17.1%	(441)	(25.8%)	0.0%	1,272	N/A	16.2%	17.1%	(91)	(5.3%)	0.0%	1,616	N/A
A.M.I.	362	379	(17)	(4.4%)	369	(7)	(1.8%)	3,117	3,156	(39)	(1.2%)	3,083	34	1.1%	21.9%	2.0%	1,985	978.5%	5.4%	1,645	303.1%	10.0%	2.7%	725	267.8%	5.4%	459	85.7%
ATLANTIC WINDOWS	414	387	27	7.0%	365	49	13.3%	3,119	3,317	(198)	(6.0%)	3,198	(79)	(2.5%)	14.8%	12.0%	287	24.0%	4.5%	1,039	233.4%	15.1%	12.3%	278	22.7%	5.6%	947	169.1%
Vinyl Profiles, LLC	311	355	(44)	(12.4%)	101	210	208.9%	2,390	3,313	(923)	(27.9%)	1,832	558	30.4%	18.6%	20.6%	(193)	(9.4%)	17.3%	133	7.7%	20.0%	20.5%	(58)	(2.8%)	19.1%	90	4.7%
Comfort View Products	188	271	(83)	(30.6%)	226	(38)	(16.8%)	1,832	2,728	(896)	(32.8%)	2,533	(701)	(27.7%)	22.8%	16.6%	623	37.5%	12.8%	1,000	78.0%	19.9%	16.9%	301	17.9%	12.4%	747	60.2%
PORTES & FENETRES ABRITEK	475	316	158	50.0%	266	209	78.4%	2,612	2,363	249	10.5%	2,453	159	6.5%	6.9%	18.4%	(1,148)	(62.5%)	(11.4%)	1,828	(160.7%)	9.5%	17.5%	(794)	(45.4%)	15.2%	(562)	(37.1%)
Coeur d'Alene	444	437	7	1.7%	286	158	55.4%	3,029	3,366	(337)	(10.0%)	2,421	608	25.1%	0.1%	4.7%	(469)	(98.7%)	1.9%	(189)	(96.8%)	1.8%	4.5%	(273)	(60.9%)	(0.4%)	218	(508.8%)
SCHLUTER SYSTEMS L.P.	264	216	48	22.2%	215	49	22.6%	2,038	2,195	(157)	(7.2%)	2,186	(148)	(6.8%)	4.5%	23.2%	(1,877)	(80.7%)	19.7%	(1,526)	(77.3%)	21.8%	23.4%	(157)	(6.7%)	19.8%	195	9.9%
P & F ISOTHERMIC INC	392	250	142	56.6%	345	47	13.6%	2,518	2,135	383	18.0%	2,416	102	4.2%	10.8%	20.6%	(985)	(47.7%)	2.9%	786	268.0%	13.1%	19.8%	(669)	(33.7%)	4.6%	850	183.4%
Sierra Pacific Windows	332	220	112	50.9%	331	1	0.3%	2,420	2,215	205	9.3%	2,275	145	6.4%	9.9%	9.7%	21	2.2%	5.1%	481	93.7%	9.2%	9.7%	(50)	(5.2%)	5.9%	322	54.3%
Other	5,910	6,038	(128)	(2.1%)	6,333	(422)	(6.7%)	49,154	56,122	(6,968)	(12.4%)	60,423	(11,269)	(18.7%)	24.4%	29.3%	(487)	(16.6%)	26.2%	(181)	(6.9%)	24.0%	28.6%	(452)	(15.8%)	28.4%	(433)	(15.3%)
Total Gross	\$16,974	\$17,766	\$ (792)	(4.5%)	\$17,130	\$ (156)	(0.9%)	\$ 141,998	\$160,800	\$ (18,802)	(11.7%)	\$ 155,892	\$ (13,894)	(8.9%)	16.0%	16.4%	(44)	(2.7%)	15.1%	84	5.6%	16.1%	16.9%	(83)	(4.9%)	15.8%	35	2.2%

Management Discussion

- PGT – Lower vs Budget due to higher assumptions made but ahead of the Prior Year
 - Eclipse– Lower vs anticipated sales, in line with market which has been softer in 2019
 - Atis, Simonton & Ostaco – softness in orders in line with market
 - All Weather – Budgeted sales attributed to anticipated new launches in 2019 which has been slower
- Other – shortfall to prior year includes lost business (SI, Jeld-Wen, Thompson Creek, KP Building) and bankruptcies (Ventana Windows, Duraco, Concept MAT)

Non-Top 20 Customers: Consolidated

<u>Customer</u>	<u>2019 YTD Sales</u>	<u>2018 YTD Sales</u>	<u>Variance</u>	<u>%</u>	<u>Comments</u>
Customers lost due to bankruptcy/closure	160	1,772	(1,612)	-91%	Major contribution from Ventana (\$1,100K)
Customers lost to competitors	2,540	7,637	(5,096)	-67%	Jeld-wen (\$1,200K), SI Inc (\$1,000K), Win-dor (\$623K), OKNA (\$594K) and Thompson Creek (\$491K) being the largest contributors and Panes, Van Isle and Clera making up majority of the remaining
Customers lost due to Vertical Integration	58	763	(705)	-92%	KP (\$510K) and Ouellet (\$195K)
Non-Top 20 Canadian Customers	26,427	29,143	(2,716)	-9%	Major contribution from Fennergic (\$549K), Kohltech (\$378K), Dashwood (377K), Westeck and Gentek (\$319K each)
Non-top 20 US Customers	15,182	15,784	(602)	-4%	Major contributions from ATI, Atrium and New South (combined for \$850K) offset by increases from Regency, Western, Qubicaamf and YKK (combined for \$500K)
Compound Customers	4,786	5,324	(538)	-10%	Major contribution from Vinyl Company (\$769K), offset by Resin Tech business (\$345K)
Total Other Customers	49,154	60,423	(11,270)	-19%	

Pipeline Roll-Forward

\$'000	Expected Contract Win Value	
	MTD	YTD
Opening Pipeline	\$ 55,279	\$ 24,924
Additions	–	102,572
Changes:		
Converted	–	(23,340)
Lost	–	(42,786)
Other	–	(6,090)
Total Net Changes	–	(72,216)
Closing Pipeline	\$ 55,279	\$ 55,279

Management Discussion

Pipeline Additions

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

Pipeline Conversion

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

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															
Polaris	\$	4,000	2,500	\$ -	TBD	TBD	TBD							Ultra-Weld	
Gentek	\$	2,308	1,700	\$ 1,095	TBD	TBD	TBD								
Hometime	\$	200	100	\$ 75	TBD	TBD	TBD								
Fene-Tech	\$	77	40	\$ -	TBD	TBD	TBD								
Simonton	\$	1,154	1,500	\$ -	TBD	TBD	TBD								
Dalmen	\$	154	200	\$ -	TBD	TBD	TBD								
Centennial	\$	115	75	\$ -	TBD	TBD	TBD								
Magistral	\$	115	75	\$ 100	TBD	TBD	TBD								
Simonton	\$	769	1,000	\$ -	TBD	TBD	TBD								
Futura	\$	77	50	\$ 25	TBD	TBD	TBD								
Fenêtres Concept	\$	58	25	\$ 25	TBD	TBD	TBD						Initial sampling to begin		
Vinylpro	\$	385	300	\$ -	TBD	TBD	TBD							4 1/2" Casement	
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	
Avanti	\$	1,000	700	\$ -	TBD	TBD	TBD							FullProgram - Dark Cap	
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	
Vaillancourt	\$	769	500	\$ -	TBD	TBD	TBD							Opera lineal	
Durabuilt	\$	385	250	\$ -	TBD	TBD	TBD							4600 Series	
All Weather	\$	192	50	\$ -	TBD	TBD	TBD							Orchestra	
TOTAL EXISTING CUSTOMERS															
	\$	32,863	\$	26,100	\$	2,011									
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
Fenêtres Contemporaine	\$	58	\$	75	\$	-	TBD	TBD	TBD						Hybrid Casement
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
President Windows	\$	150	\$	-	\$	100	TBD	TBD	TBD						
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
Hayfield Windows	\$	2,000		1,250	\$	-	TBD	TBD	TBD						Casement
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
Artik	\$	58		37	\$	-	TBD	TBD	TBD						PD Lineal
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
Maritime	\$	385		250	\$	-	TBD	TBD	TBD						Early discussions
Heartland	\$	900		650	\$	-	TBD	TBD	TBD						
Supreme	\$	500		375	\$	-	TBD	TBD	TBD						Strong relationship with Westech but concerned
TOTAL NEW CUSTOMERS															
Total Extrusion and Patio Doors															
Legend															
Complete															
In process, on track															
In process, delayed															
In process, at risk															

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

\$ and units '000														
Customer Name	Total Contract Value			1x Costs	Contract Timing			Sales Process Status						Comments
	\$	Units ('000s Lbs)			Start Date	End Date	Length (Yrs)	Initial Interaction (5%)	Pursuit (15%)	Designing (25%)	Proposal (40%)	Negotiation (60%)	Finalizing Agreement (90%)	
Existing Customers														
TOTAL EXISTING CUSTOMERS	\$	-	-	\$	-									
New Customers														
Fence Outlet	\$	2,400	2,400	\$	-	TBD	TBD	TBD						Quote accepted. New formulation Trials Natural Formulation for RV's Formulation approved
Accord	\$	300	300	\$	-	TBD	TBD	TBD						
Mor-X Plastics	\$	200	200	\$	-	TBD	TBD	TBD						
TOTAL NEW CUSTOMERS	\$	2,900	\$	2,900	\$	-								
Total External Compound Sales	\$	2,900	2,900	\$	-									
TOTAL SALES PIPELINE	\$	55,279	45,857	\$	2,611									
Legend														
<div><div></div> Complete</div> <div><div></div> In process, on track</div> <div><div></div> In process, delayed</div> <div><div></div> In process, at risk</div>														

YTD Opex Analysis

\$'000

	YTD			Explanation of Variance						Variance Impact		
			Variance	One-Time /		Change in		Total Variance	YoY Impact	Annualized		
	Act	Bud	(B) / W	Non-recurring	Timing	Run-rate	Other/FX				(B) / W	(B) / W
Payroll	\$ 8,435	\$ 8,990	\$ (556)	\$ (45)	\$ (15)	\$ (375)	\$ (121)	\$ (556)	\$ (316)	\$ —		
Bonus	\$ 1,122	\$ 1,134	\$ (12)	\$ -	\$ -	\$ -	\$ (12)	(12)	\$ 963	—		
Commissions	\$ 208	\$ 299	\$ (90)	\$ (13)	\$ -	\$ (74)	\$ (4)	(90)	\$ 44	—		
Marketing	\$ 1,335	\$ 1,476	\$ (142)	\$ -	\$ (119)	\$ -	\$ (23)	(142)	\$ (89)	—		
Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	—	\$ -	—		
Travel and entertainment	\$ 915	\$ 1,330	\$ (415)	\$ (93)	\$ (50)	\$ (260)	\$ (11)	(415)	\$ (145)	—		
Rent and facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	—	\$ -	—		
Insurance	\$ 269	\$ 284	\$ (16)	\$ -	\$ (12)	\$ (4)	\$ (0)	(16)	\$ (13)	—		
Professional fees	\$ 543	\$ 489	\$ 55	\$ 18	\$ -	\$ 46	\$ (10)	55	\$ 52	—		
Office expense	\$ 216	\$ 241	\$ (25)			\$ (21)	\$ (4)	(25)	\$ (31)	—		
IT	\$ 1,583	\$ 1,733	\$ (150)	\$ 125	\$ (84)	\$ (161)	\$ (31)	(150)	\$ 211	—		
Bad Debts	\$ 123	\$ (4)	\$ 127	\$ 130	\$ -	\$ -	\$ (3)	127	\$ 204	—		
FX	\$ (151)	\$ -	\$ (151)	\$ -	\$ -	\$ -	\$ (151)	(151)	\$ (337)	—		
JV Loss (Income)	\$ (137)	\$ (192)	\$ 54	\$ (2)	\$ 20	\$ 40	\$ (4)	54	\$ 52	—		
Other Expenses	\$ 714	\$ 720	\$ (6)	\$ (4)	\$ -	\$ 17	\$ (19)	(6)	\$ (81)	—		
Total Opex	\$ 15,175	\$ 16,501	\$ (1,326)	\$ 116	\$ (259)	\$ (790)	\$ (392)	\$ (1,326)	\$ 513	\$ —		

Management Discussion

- Lower payroll largely due to lower headcount and delays in hiring for open positions, lower than Planned benefits costs coupled with a positive Canadian FX impact
- Lower commissions as a result of revised estimates for accrual based on current sales
- Marketing expenses lower due to timing with budgeted expenditure
- Lower than anticipated sales volume affecting Travel and Entertainment
- IT coming in slightly behind budget as a result of a combination of discontinuation as well as lower than anticipated pricing on certain services, and timing of contract negotiations as part of cost management and a positive Canadian FX impact offset by unbudgeted expense for Spend HQ and DSI MEP software subscriptions.
- Top up of Bad Debts provision in Q3 2019 to cover Quebec exposures with Enterprises Doco, West Coast Designs and SDO Renovation.

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insight Sourcing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
IT	\$ 120	\$ 70	\$ (50)	\$ (34)	\$ -	\$ (16)	(50)	\$ (34)
Legal Fees	\$ 23	\$ -	\$ (23)	\$ -	\$ -	\$ (23)	(23)	\$ -
Professional Fees	\$ 397	\$ 117	\$ (280)	\$ (227)	\$ (4)	\$ (44)	(275)	\$ (227)
Mgmt Incentive	\$ 245	\$ 342	\$ 97	\$ 97	\$ -	\$ -	97	\$ 97
Laval Water Damage	\$ 90	\$ -	\$ (90)	\$ -	\$ -	\$ (90)	(90)	\$ -
Profit Velocity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CAD Transfer Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TSA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Restructuring Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 3	\$ -	\$ (3)	\$ -	\$ -	\$ (3)	(3)	\$ -
Total 1X Costs	\$ 878	\$ 529	\$ (349)	\$ (164)	\$ (4)	\$ (177)	\$ (345)	\$ (164)

Management Discussion

- IT Costs relate to Terrebonne ERP Syteline Project to set up certain modules and perform an upgrade to the system (\$64K), Disaster Recovery testing for JDE (\$40K) and DDL Consultant for ITSM Project (\$16K)
- Legal Costs of \$23K for Corporate Management Services
- Professional Fees include costs incurred for the Quality of Earnings study with KPMG (\$181K), OBI projects with The Practical Approach (\$98K), Project Monaco costs (\$14K), Management Tools Inc (\$21K) and Smart Ventures (\$82K).
- Management staff incentive (\$245K)
- Laval Water Damage costs relate to water clean-up services performed by Qualinet (\$90K, not planned)

Balance Sheet

\$'000	Dec-18	Jul-19	Aug-19	Sep-19	Oct-19		Variance	
	Act	Act	Act	Act	Act	Bud	\$	%
Current Assets								
Cash and cash equivalents	\$ 0	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 0	9.8%
Short term investments	—	—	—	—	—	—	—	N/A
<i>Accounts receivable, gross</i>	8,958	13,673	13,780	13,915	14,965	14,884	81	0.5%
<i>Accounts receivable, reserves</i>	(363)	(477)	(472)	(501)	(504)	(679)	175	(25.7%)
Accounts receivable, net	8,594	13,196	13,308	13,414	14,460	14,205	256	1.8%
<i>Inventory, gross</i>	31,776	34,503	34,146	34,529	33,944	32,874	1,070	3.3%
<i>Inventory, reserves</i>	(1,467)	(1,797)	(1,783)	(1,764)	(1,801)	(1,696)	(104)	6.2%
Inventory, net	30,309	32,705	32,363	32,765	32,143	31,178	965	3.1%
Prepaid expenses and other current assets	2,942	4,257	4,035	3,848	3,866	3,348	518	15.5%
Other current assets	901	1,026	932	911	894	1,771	(876)	(49.5%)
Total Current Assets	42,746	51,187	50,640	50,941	51,367	50,504	863	1.7%
Non-Current Assets								
<i>Property, plant & equipment, gross</i>	64,977	70,321	70,322	70,962	71,741	73,531	(1,790)	(2.4%)
<i>Accumulated depreciation</i>	(17,639)	(23,152)	(23,765)	(24,601)	(25,492)	(23,245)	(2,247)	9.7%
Property, plant & equipment, net	47,338	47,169	46,557	46,361	46,249	50,286	(4,037)	(8.0%)
Deferred financing cost	548	464	448	435	423	422	1	0.3%
Deferred tax asset	2,879	2,963	2,938	2,947	2,963	1,367	1,596	116.8%
Other non-current assets	2,616	2,791	2,784	2,791	2,825	3,257	(432)	(13.3%)
Total Non-Current Assets	53,382	53,388	52,727	52,534	52,461	55,332	(2,871)	(5.2%)
Total Assets	\$ 96,127	\$ 104,574	\$ 103,368	\$ 103,475	\$ 103,828	\$ 105,835	\$ (2,008)	(1.9%)
Current Liabilities								
Bank Debt	\$ 10,222	\$ 17,338	\$ 16,897	\$ 16,663	\$ 17,396	\$ 17,938	\$ (543)	(3.0%)
Current Portion - Long Term Debt	1,628	1,676	1,662	1,667	1,677	1,800	(124)	(6.9%)
Accounts payable	12,709	15,146	14,498	14,476	13,366	13,308	57	0.4%
Accrued liabilities	3,343	3,513	3,630	3,707	3,923	3,366	558	16.6%
Accrued compensation	2,521	3,435	3,952	4,303	4,461	4,804	(343)	(7.1%)
Income taxes payable	(246)	46	86	192	419	1,734	(1,315)	(75.8%)
Contingent consideration	1,301	1,301	1,301	1,301	1,301	—	1,301	N/A
Other current liabilities	97	127	122	116	115	128	(13)	(9.9%)
Total Current Liabilities	31,576	42,582	42,149	42,425	42,657	43,078	(421)	(1.0%)
Long-term liabilities								
Long-term debt less current maturities	12,006	11,403	11,163	11,060	10,985	10,714	271	2.5%
Deferred income taxes	9,610	9,756	9,713	9,729	9,757	7,785	1,972	25.3%
Other non-current liabilities	1,468	1,591	1,577	1,585	1,598	1,477	120	8.1%
Total Long-Term Liabilities	23,084	22,751	22,453	22,374	22,340	19,976	2,364	11.8%
Total Liabilities	54,660	65,333	64,602	64,799	64,997	63,054	1,943	3.1%
Commitments and contingencies	—	—	—	—	—	—	—	N/A
Shareholders' Equity								
Common stock	12,610	12,610	12,610	12,610	12,610	12,610	0	0.0%
Retained earnings	30,039	27,505	27,095	26,982	27,099	30,701	(3,602)	(11.7%)
Accumulated other comprehensive income	(1,181)	(873)	(938)	(916)	(878)	(530)	(349)	65.8%
Total Shareholders' Equity	41,467	39,241	38,766	38,676	38,831	42,781	(3,950)	(9.2%)
Total Liabilities and Shareholders' Equity	\$ 96,127	\$ 104,574	\$ 103,368	\$ 103,475	\$ 103,828	\$ 105,835	\$ (2,008)	(1.9%)

Management Discussion

- Net A/R vs. Budget is slightly lower by \$256K (1.8%) which shows improvement largely due to improved Sales in October when compared to lower sales in prior months.
- Inventory levels slightly higher vs Bud to offset planned production slowdown with an extended closure of some plants during the holidays. In addition, YTD inventory depletion not up to budget levels.
- Increase in Prepaid expenses vs Bud due to new insurance contract delayed by a month (impact of \$65k) in addition to prepayment of advertisement campaign and Windoor earlier then scheduled of \$67K and a higher Non-inventory stock of \$374K as a result of new product developments.
- Decrease in Other current assets vs Bud attributed to lower GST receivable \$1,022k due to GST refunds not budgeted to be received until the year end. This was offset by higher receivable vs budget related to Customer Tooling of \$146K
- Gross PP&E lower vs Bud by 1,790K largely due to lower Capex spending than budgeted YTD of \$1,442K and an unfavorable F/X impact of \$348K (actual rate of 1.3156 [or USD\$ 0.76] vs. the Budget rate of 1.30 [or USD\$ 0.77])
- Other non-current assets reduction of \$432K vs Bud due to a reduction in JV equity income in the month and an unfavorable F/X impact
- Decrease in Bank Debt due to a combination of not paying out the contingent consideration liability of \$1.3M, lower Capex spending due to 'Hold-off' strategy. Also, a favorable FX impact on Canadian Debt (actual rate of 1.3156 [or USD\$ 0.76] vs. the Budget rate of 1.30 [or USD\$ 0.77])

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)	\$	116	\$	59	\$	57	96.5%	\$	(337)	\$	454	(134.5%)	\$	(2,930)	\$	(1,862)	\$	(1,068)	57.4%	\$	(1,609)	\$	(1,321)	82.1%
Depreciation, amortization and other		782		796		(14)	(1.8%)		692		90	13.0%		7,416		7,526		(110)	(1.5%)		6,422		994	15.5%
Non-cash loss/expense (gain)		(62)		(171)		109	(63.8%)		67		(129)	(191.9%)		(136)		(15)		(121)	794.5%		105		(241)	(230.1%)
Deferred income tax		28		—		28	N/A		(34)		63	(181.9%)		147		148		(1)	(0.7%)		(1,186)		1,333	(112.4%)
Change in operating assets and liabilities:																								
Accounts receivable		(1,046)		140		(1,186)	(848.1%)		(418)		(628)	150.3%		(5,866)		(5,698)		(168)	2.9%		(2,427)		(3,439)	141.7%
Inventory		623		1,707		(1,084)	(63.5%)		3,245		(2,622)	(80.8%)		(1,834)		(869)		(965)	111.1%		(814)		(1,020)	125.4%
Prepaid expenses and other current assets		(2)		(378)		376	(99.4%)		(685)		682	(99.7%)		(918)		(1,276)		358	(28.1%)		(1,182)		264	(22.3%)
Accounts payable		(1,111)		(1,542)		431	(28.0%)		(1,191)		81	(6.8%)		656		599		57	9.6%		(191)		848	(442.8%)
Accrued expenses		375		146		229	157.4%		759		(384)	(50.6%)		2,520		2,557		(37)	(1.4%)		(1,124)		3,644	(324.2%)
Accrued income taxes		227		170		57	33.8%		90		137	153.2%		665		1,084		(419)	(38.6%)		934		(268)	(28.8%)
Other changes in operating assets and liabilities		(1)		1		(2)	(193.1%)		(13)		12	(92.1%)		19		(1,270)		1,288	(101.5%)		76		(58)	(75.7%)
Other cash flow from operations		—		—		—	N/A		—		—	N/A		—		—		—	N/A		—		—	N/A
Total Cash Flow from Operations	\$	(71)	\$	927	\$	(998)	(107.6%)	\$	2,174	\$	(2,245)	(103.3%)	\$	(262)	\$	924	\$	(1,186)	(128.4%)	\$	(996)	\$	734	(73.7%)
Cash flow from investing																								
Additions to property, plant and equipment	\$	(522)	\$	(398)	\$	(125)	31.3%	\$	(991)	\$	469	(47.3%)	\$	(5,521)	\$	(7,204)	\$	1,683	(23.4%)	\$	(7,974)	\$	2,453	(30.8%)
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	\$	(522)	\$	(398)	\$	(125)	31.3%	\$	(991)	\$	469	(47.3%)	\$	(5,521)	\$	(7,204)	\$	1,683	(23.4%)	\$	(7,974)	\$	2,453	(30.8%)
Cash flow from financing																								
Proceeds from the issuance (repayment) of short-term debt	\$	733	\$	(386)	\$	1,119	(289.8%)	\$	(1,651)	\$	2,383	(144.4%)	\$	7,173	\$	7,716	\$	(543)	(7.0%)	\$	8,886	\$	(1,713)	(19.3%)
Proceeds from the issuance of debt		(0)		—		(0)	N/A		577		(577)	(100.0%)		0		—		0	N/A		1,207		(1,207)	(100.0%)
Repayment of debt		(139)		(143)		4	(2.7%)		(109)		(30)	27.3%		(1,386)		(1,433)		46	(3.2%)		(1,123)		(264)	23.5%
Common stock cash dividends paid		—		—		—	N/A		—		—	N/A		—		—		—	N/A		—		—	N/A
Other cash flow from financing		—		—		—	N/A		—		—	N/A		—		—		—	N/A		—		—	N/A
Total Cash Flow from Financing	\$	593	\$	(529)	\$	1,123	(212.1%)	\$	(1,183)	\$	1,776	(150.2%)	\$	5,787	\$	6,283	\$	(496)	(7.9%)	\$	8,970	\$	(3,183)	(35.5%)
Effect of FX rates on cash and cash equivalents	\$	—	\$	—	\$	—	N/A	\$	—	\$	—	N/A	\$	—	\$	—	\$	—	N/A	\$	—	\$	—	N/A
Net change in cash	\$	0	\$	0	\$	(0)	(96%)	\$	(0)	\$	0	(679308.3%)	\$	3	\$	3	\$	0	9.8%	\$	(0)	\$	3	(1162.2%)
Beginning cash		3		2		0	20.0%		0		3	798646.8%		0		0		—	0.0%		(0)		0	(100.1%)
Change in cash		0		0		(0)	(96%)		(0)		0	(679308.3%)		3		3		0	9.8%		(0)		3	(1162.2%)
Ending cash	\$	3	\$	3	\$	0	9.8%	\$	0	\$	3	804894.7%	\$	3	\$	3	\$	0	9.8%	\$	0	\$	3	804894.7%

Covenant Analysis

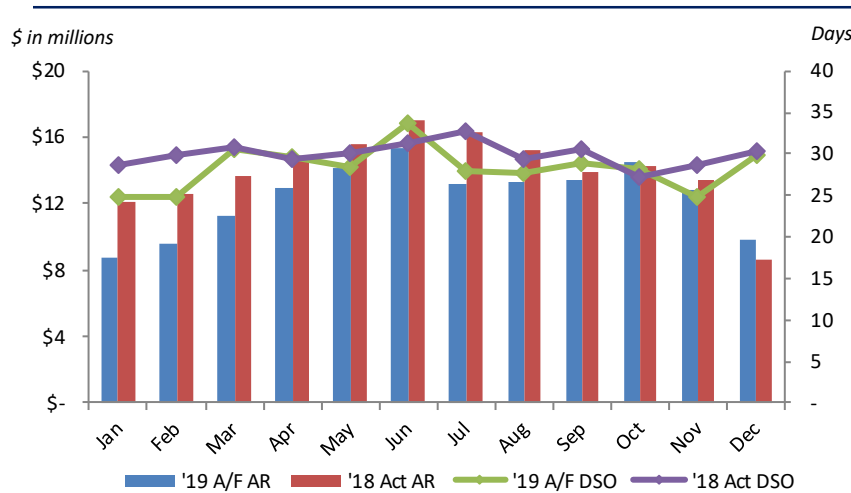
(US\$ '000s)	Actual Dec-18	Actual Jan-19	Actual Feb-19	Actual Mar-19	Actual Apr-19	Actual May-19	Actual Jun-19	Actual Jul-19	Actual Aug-19	Actual Sep-19	Actual Oct-19	Budget Nov-19	Budget Dec-19
Excess Availability													
Borrowing Base	27,127	24,989	24,640	25,741	28,175	29,067	28,711	29,941	27,848	28,477	28,728	23,305	24,269
Total Revolver Debt	10,222	14,340	16,533	18,750	19,505	19,025	17,818	17,338	16,897	16,663	17,396	14,909	13,864
Excess Availability	16,904	10,649	8,107	6,991	8,670	10,042	10,893	12,602	10,951	11,814	11,332	8,396	10,405
EA % of Borrowing Base	62.3%	42.6%	32.9%	27.2%	30.8%	34.5%	37.9%	42.1%	39.3%	41.5%	39.4%	36.0%	42.9%
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	8,112	7,865	8,971	8,618	8,575	8,526	9,943	8,843	8,306	7,274	7,868	8,152	9,166
Total Capex	462	489	531	560	448	519	805	761	386	500	522	398	398
TTM Capex	7,822	7,266	7,354	7,115	7,577	7,209	7,315	7,293	7,041	6,931	6,912	6,382	6,317
Cash Taxes	-	(252)	-	257	-	-	-	(14)	-	-	82	-	-
TTM Cash Taxes	671	418	418	140	5	5	5	(9)	(9)	(9)	73	73	73
Numerator	(381)	180	1,198	1,364	993	1,313	2,624	1,559	1,273	352	883	1,698	2,776
Cash Interest on existing ABL	161	156	165	189	184	198	187	191	189	182	175	173	168
Cash Interest on additional debt	-	-	-	-	-	-	-	-	-	-	-	-	-
TTM Cash Interest	1,869	1,918	1,966	2,019	2,051	2,087	2,099	2,109	2,120	2,134	2,138	2,150	2,157
Principal Payments on additional debt	138	138	139	138	138	137	139	140	139	139	139	141	141
TTM Principal Payments	1,387	1,412	1,436	1,462	1,490	1,516	1,544	1,574	1,604	1,634	1,663	1,665	1,669
Denominator	3,256	3,330	3,402	3,482	3,541	3,603	3,643	3,683	3,724	3,767	3,802	3,815	3,826
FCCR Ratio	(0.1)	0.1	0.4	0.4	0.3	0.4	0.7	0.4	0.3	0.1	0.2	0.4	0.7
Minimum FCC	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Compliance	Breach	Breach	Breach	Breach	Breach	Breach	Breach	Breach	Breach	Breach	Breach	Breach	Breach

13-Week Cash Flow Forecast

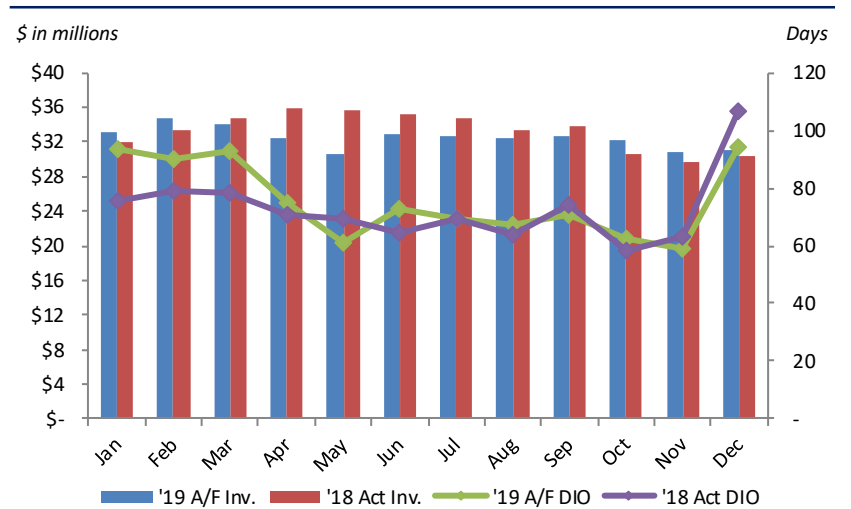
Date	11/01/19	11/08/19	11/15/19	11/22/19	11/29/19	12/06/19	12/13/19	12/20/19	12/27/19	01/03/20	01/10/20	01/17/20	01/24/20	01/31/20
Cash Flow Roll-Up:														
Total Inflows - Operational	2,779	2,931	3,547	3,743	3,743	4,308	3,899	4,916	3,731	3,611	3,298	3,078	2,985	2,759
Receipts from Customers based on AR	2,779	2,931	3,076	3,272	3,272	3,445	1,805	1,817	261	261	261	261	261	-
New Net External Sales	-	-	-	-	-	538	1,794	2,798	3,169	3,000	2,622	2,402	2,309	2,344
New Affiliate Sales	-	-	471	471	471	325	301	301	301	350	415	415	415	415
Total Outflows - Operational	(6,018)	(5,196)	(5,460)	(5,049)	(3,620)	(3,440)	(3,840)	(3,623)	(2,477)	(3,269)	(4,447)	(2,960)	(3,113)	(1,983)
Payments to Suppliers based on AP Aging	(1,081)	(1,191)	(1,223)	(1,022)	(836)	(837)	(611)	(601)	(602)	(602)	(602)	(546)	0	0
Materials	(2,617)	(1,785)	(1,550)	(1,776)	(1,776)	(534)	(579)	(1,032)	(1,032)	(1,169)	(1,258)	(1,258)	(957)	(957)
Conversion Costs	(546)	(1,096)	(546)	(885)	(553)	(1,034)	(553)	(657)	(543)	(809)	(598)	(722)	(711)	(727)
Other COGS	(196)	(196)	(195)	(233)	(182)	(182)	(181)	(232)	(131)	(123)	(123)	(122)	(182)	(148)
Selling Costs	(38)	(116)	(38)	(148)	(36)	(111)	(36)	(145)	(36)	(112)	(36)	(105)	(181)	(104)
General and Administrative	(107)	(161)	(107)	(269)	(103)	(155)	(103)	(500)	0	(157)	(102)	(158)	(436)	0
Intercompany Material Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capex	(134)	(134)	(133)	(133)	(133)	(133)	(133)	(133)	(133)	(47)	(47)	(47)	(47)	(47)
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Fees	0	0	0	0	0	0	0	0	0	(250)	0	0	0	0
Resin rebate	0	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	0
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Performance Payment to Westlake	(1,300)	0	0	0	0	0	0	0	0	0	0	0	0	0
2017 bonus payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Material received but not invoiced	0	(517)	(1,668)	(582)	0	(453)	(1,643)	(323)	0	0	(1,681)	0	(600)	0
Projected Operational Cash Flow	(3,239)	(2,265)	(1,913)	(1,306)	123	868	60	1,292	1,253	343	(1,149)	118	(128)	776
Cash receipts more (less) than projection	182	80	37	0	0	0	0	0	0	0	0	0	0	0
Cash outflows less (more) than projection	2,925	2,044	825	0	0	0	0	0	0	0	0	0	0	0
(Adjustment)	0	0	1,172	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	0
(Adjustment)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Actual Operational Cash Flow	(133)	(142)	121	(1,306)	123	868	60	1,292	1,253	343	(1,149)	118	(128)	776
Bank interest	(163)	0	0	0	0	(164)	0	0	0	(164)	0	0	0	0
Bridge Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Term Loan	(140)	0	0	0	0	(139)	0	0	0	(139)	0	0	0	0
Monitoring Fees	0	0	0	0	0	0	0	0	0	(250)	0	0	0	0
Other Inflows/Outflows	0	0	(6)	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	0
Bank Fees	(3)	0	(8)	0	0	(3)	0	(10)	0	(3)	0	(10)	0	0
Total Financial Cash Flow	(306)	0	(14)	0	0	(305)	0	(10)	0	(556)	0	(10)	0	0
Total Cash Flow	(438)	(142)	106	(1,306)	123	563	60	1,282	1,253	(213)	(1,149)	108	(128)	776
Adjusted Loan Balance	16,928	17,228	17,628	18,935	18,812	18,250	18,192	16,910	15,658	15,870	17,019	16,911	17,038	16,262
Term Loan	12,515	12,507	12,449	12,449	12,449	12,310	12,310	12,310	12,310	12,171	12,171	12,171	12,171	12,171
Total Debt	29,443	29,734	30,076	31,384	31,261	30,560	30,502	29,220	27,967	28,041	29,190	29,082	29,209	28,433
Revolver Availability	11,796	11,483	10,996	8,533	8,656	9,218	9,277	12,447	13,700	13,488	12,339	12,447	6,871	7,647

Working Capital and Cash Conversion Cycle

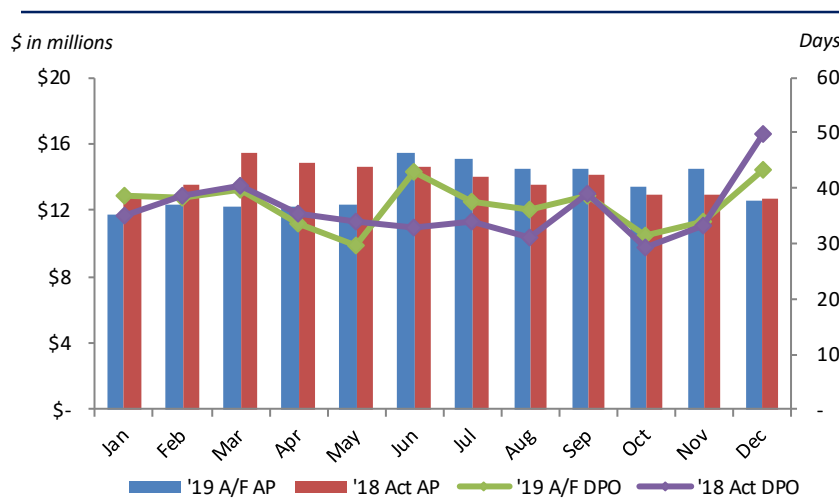
Accounts Receivable



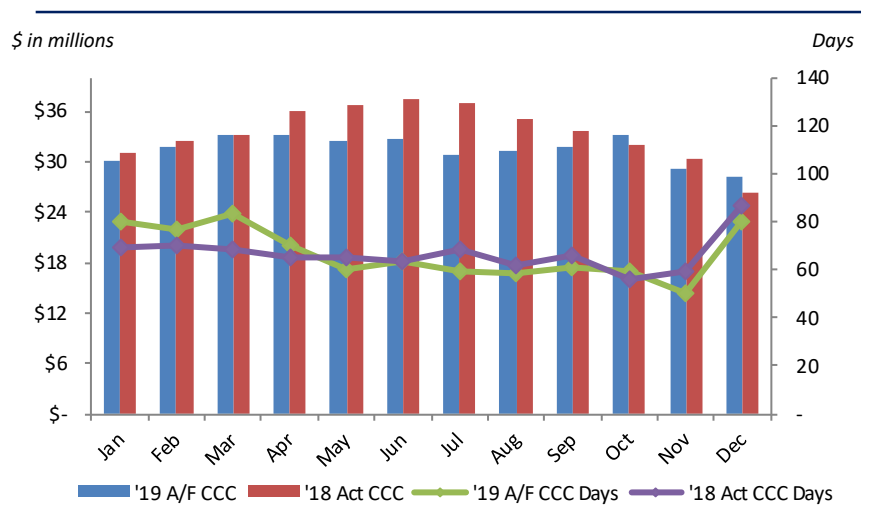
Inventory



Accounts Payable



Cash Conversion Cycle



AR and AP Aging Detail

\$'000

AR Aging				
Days	Aug-19	Sep-19	Oct-19	%
0-30	\$ 11,177	\$ 11,307	\$ 12,431	86.0%
30-60	1,722	1,588	1,301	9.0%
60-90	106	198	304	2.1%
>90	302	321	424	2.9%
Total	\$ 13,308	\$ 13,414	\$ 14,460	100.0%

AP Aging				
Days	Aug-19	Sep-19	Oct-19	%
0-30	\$ 11,058	\$ 10,913	\$ 10,679	79.9%
30-60	2,852	3,082	2,260	16.9%
60-90	440	360	369	2.8%
>90	148	121	58	0.4%
Total	\$ 14,498	\$ 14,476	\$ 13,366	100.0%

Management Discussion

- Minor decrease in DSO days from 29 to 28 as a result of increase in current balance due to improved sales as well as improvement in collections.
- Decrease in DPO days from 39 to 31 due to payments made to clear a few large invoices related to ECS raw material purchases.

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Full Year Outlook Consolidated P&L Summary

\$'000	FY		Var		PY	Var	
	Fsct	Bud	\$	%	Act	\$	%
Units Produced ('000)	98,615	108,274	(9,659)	(8.9%)	96,146	2,469	2.6%
Units Shipped ('000)	97,913	109,580	(11,667)	(10.6%)	104,464	(6,551)	(6.3%)
Bookings (\$'000)	\$ 166,326	\$ 180,948	\$ (14,622)	(8.1%)	\$ 173,588	\$ (7,263)	(4.2%)
Backlog (\$'000)	\$ 11,911	\$ 11,911	\$ –	0.0%	\$ 8,368	\$ 3,543	42.3%
Gross Revenue	\$ 169,234	\$ 188,036	\$ (18,802)	(10.0%)	\$ 180,283	\$ (11,049)	(6.1%)
Adj. to Gross Revenue	(8,718)	(9,876)	1,158	(11.7%)	(9,708)	990	(10.2%)
Net Revenue	160,516	178,160	(17,644)	(9.9%)	170,574	(10,058)	(5.9%)
Material	78,243	88,355	(10,112)	(11.4%)	83,420	(5,177)	(6.2%)
Labor	36,689	38,371	(1,681)	(4.4%)	38,503	(1,814)	(4.7%)
Other COGS	18,773	20,261	(1,488)	(7.3%)	20,885	(2,112)	(10.1%)
Total COGS	133,705	146,986	(13,282)	(9.0%)	142,807	(9,103)	(6.4%)
Gross Margin	26,811	31,173	(4,362)	(14.0%)	27,767	(956)	(3.4%)
Gross Margin %	16.7%	17.5%			16.3%		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	6,892	7,247	(355)	(4.9%)	7,045	(152)	(2.2%)
Administrative	11,898	12,772	(874)	(6.8%)	10,240	1,658	16.2%
Other Opex	(325)	(228)	(97)	42.4%	302	(627)	(207.7%)
Total Opex	18,466	19,791	(1,325)	(6.7%)	17,587	879	5.0%
EBITDA	8,346	11,382	(3,037)	(26.7%)	10,180	(1,835)	(18.0%)
EBITDA %	5.2%	6.4%			6.0%		
Net Income (Loss)	\$ (4,368)	\$ (3,300)	\$ (1,068)	32.4%	\$ (3,490)	\$ (878)	25.2%
Capex	\$ (6,317)	\$ (8,000)	\$ 1,683	(21.0%)	\$ (10,215)	\$ 3,898	(38.2%)
Opex Overview:							
Payroll	\$ 10,228	\$ 10,783	\$ (556)	(5.2%)	\$ 10,318	\$ (90)	(0.9%)
Bonus	1,349	1,361	(12)	(0.9%)	159	1,190	748.5%
Commissions	268	358	(90)	(25.2%)	187	81	43.4%
Marketing	1,639	1,780	(142)	(8.0%)	1,679	(41)	(2.4%)
Benefits	–	–	–	N/A	–	–	N/A
Travel and entertainment	1,173	1,587	(415)	(26.1%)	1,231	(58)	(4.7%)
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	321	336	(16)	(4.6%)	328	(7)	(2.1%)
Professional fees	639	584	55	9.4%	585	54	9.2%
Office Expenses	262	287	(25)	(8.7%)	287	(25)	(8.6%)
IT	1,942	2,092	(150)	(7.2%)	1,634	308	18.9%
Bad Debts	122	(5)	127	(2754.1%)	(80)	202	(253.7%)
FX	(151)	–	(151)	N/A	384	(536)	(139.3%)
JV Loss (Income)	(174)	(228)	54	(23.8%)	(83)	(91)	110.0%
Other Expenses	848	853	(6)	(0.7%)	956	(108)	(11.3%)
Total Opex	\$ 18,465	\$ 19,791	\$ (1,326)	(6.7%)	\$ 17,586	\$ 879	5.0%

Full Year Outlook Key Customers – ENERGI Consolidated

	Gross Sales (\$'000)								Gross Margin %						
	FY	FY	Var		PY	Var			FY	FY	Var		PY	Var	
	Act	Bud	\$	%	Act	\$	%		Act	Bud	BPs	%	Act	BPs	%
Customer:															
PGT Industries Inc	\$ 22,785	\$ 24,098	\$ (1,313)	(5.4%)	\$ 21,061	\$ 1,724	8.2%		18.5%	18.2%	34	1.9%	15.6%	294	18.9%
Eclipse Shutter Systems	13,643	15,789	(2,146)	(13.6%)	15,365	(1,721)	(11.2%)		3.1%	3.2%	(13)	(3.9%)	3.8%	(69)	(18.3%)
Atis	7,777	9,424	(1,647)	(17.5%)	10,380	(2,604)	(25.1%)		(16.7%)	(18.8%)	207	(11.0%)	(15.4%)	(133)	8.7%
Simonton	9,567	10,859	(1,292)	(11.9%)	10,221	(654)	(6.4%)		12.4%	17.1%	(467)	(27.3%)	8.6%	382	44.3%
Quaker Window Products	5,700	6,028	(327)	(5.4%)	5,345	355	6.6%		11.0%	11.0%	0	0.0%	9.1%	192	21.1%
Ostaco 2000	3,244	3,820	(576)	(15.1%)	3,716	(472)	(12.7%)		9.5%	7.6%	184	24.0%	20.8%	(1,134)	(54.5%)
SOLARIS QUEBEC P & F INC.	4,280	4,075	205	5.0%	4,262	18	0.4%		24.1%	24.0%	16	0.7%	9.9%	1,425	144.5%
Dashwood Industries Inc	3,452	3,764	(313)	(8.3%)	3,898	(447)	(11.5%)		16.1%	14.4%	172	12.0%	16.2%	(12)	(0.7%)
Windsor Window Co OEM	3,899	3,710	189	5.1%	3,491	408	11.7%		23.6%	23.7%	(9)	(0.4%)	8.8%	1,481	168.4%
All Weather	4,470	6,731	(2,260)	(33.6%)	3,395	1,076	31.7%		12.2%	14.7%	(251)	(17.0%)	12.6%	(42)	(3.3%)
Polaris Technologies	5,181	5,822	(641)	(11.0%)	3,577	1,604	44.8%		15.9%	17.0%	(113)	(6.7%)	0.0%	1,588	N/A
A.M.I.	3,761	3,800	(39)	(1.0%)	3,511	250	7.1%		8.2%	2.6%	561	212.4%	5.4%	288	53.6%
ATLANTIC WINDOWS	3,726	3,924	(198)	(5.0%)	3,749	(23)	(0.6%)		14.4%	12.3%	215	17.5%	5.9%	849	143.3%
Vinyl Profiles, LLC	2,903	3,826	(923)	(24.1%)	1,961	942	48.1%		20.1%	20.5%	(45)	(2.2%)	18.8%	132	7.0%
Comfort View Products	2,239	3,135	(896)	(28.6%)	2,920	(681)	(23.3%)		19.0%	16.8%	216	12.9%	12.3%	665	53.9%
PORTES & FENETRES ABRITEK	3,036	2,786	249	8.9%	2,889	147	5.1%		11.0%	17.5%	(658)	(37.5%)	15.4%	(447)	(29.0%)
Coeur d'Alene	3,663	4,000	(337)	(8.4%)	2,804	859	30.6%		1.0%	4.3%	(330)	(76.2%)	0.5%	55	117.1%
SCHLUTER SYSTEMS L.P.	2,400	2,558	(157)	(6.2%)	2,796	(396)	(14.2%)		24.3%	23.7%	67	2.8%	16.0%	837	52.4%
P & F ISOTHERMIC INC	2,940	2,557	383	15.0%	2,978	(38)	(1.3%)		14.5%	19.9%	(540)	(27.1%)	3.8%	1,074	286.3%
Sierra Pacific Windows	2,765	2,560	205	8.0%	2,632	133	5.1%		9.1%	9.6%	(54)	(5.6%)	6.3%	283	45.1%
Other	57,803	64,771	(6,968)	(10.8%)	69,279	(11,476)	(16.6%)		24.2%	28.5%	(430)	(15.1%)	28.1%	(391)	(13.9%)
Total Gross	\$ 169,234	\$ 188,036	\$ (18,802)	(10.0%)	\$ 180,283	\$ (11,049)	(6.1%)		16.0%	16.7%	(78)	(4.7%)	15.4%	55	3.6%

Management Discussion

- Overall, extended winter weather conditions and a wet spring has impacted sales across all customers as both US and Canada markets have been soft
- All Weather is significantly behind budget which was due to a aggressive estimate following new product launches in December 2018
- Solaris and Windsor – Strong, performing better than budget
- Eclipse, Atis and Comfort View – Slow start to the year and colder weather leading to softness in orders, however some pick-up in 2019 from Atis following closure of PD deal

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Business Unit Analysis

Management Governance Report

Disclosure Committee:

- Members include: CEO, CFO, VP Sales, VP Manufacturing & VP Supply Chain
- Meeting held on November 7th, 2019
- 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:

- Hotline Web message received on September 10th, 2019 from an anonymous Everett employee
 - Individual has issued a complaint against the Everett Maintenance Dept, indicating that the employees in this department are unprofessional and do not effectively resolve issues
 - A comment was also made that two good maintenance employees left the Company because of being treated poorly by the Tooling Manager
 - Accusations similar to a previous hotline message and is suspected to be from a disgruntled former employee – still being investigated
 - Discussed issue with Maintenance Manager and having discussions with employees

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		Invested Capital (\$M)			Valuation	Returns
Investment date		3/31/2016		Fund			Total Value	MOI
Operational data as of		10/31/2019		OpenGate Equity	94.8%	OCGP I	\$ 46,435	0.6x
Valuation details last updated:		9/30/2019		MGMT	5.3%	OCGP II	—	NA
				Other Equity	0.0%	OCGP III	—	NA
				Total	100.0%	Total	\$ 46,435	0.6x

Operations												
	Net Revenue					Adj. EBITDA					Net Debt	
	Act	Bud	Variance	PY	Variance	Act	Bud	Variance	PY	Variance	Act	Bud
This Month	\$ 15,932	\$ 16,782	-5.1%	\$ 16,233	-1.9%	\$ 1,142	\$ 1,318	-13.4%	\$ 1,207	-5.4%	\$ 30,055	\$ 28,649
Quarter to Date	\$ 15,932	\$ 16,782	-5.1%	\$ 16,233	-1.9%	\$ 1,142	\$ 1,318	-13.4%	\$ 1,207	-5.4%		
Year to Date	\$ 134,737	\$ 152,381	-11.6%	\$ 147,662	-8.8%	\$ 7,678	\$ 10,715	-28.3%	\$ 9,847	-22.0%		

LTM Trends (\$'000s)	11/30/18	12/31/18	1/31/19	2/28/19	3/31/19	4/30/19	5/31/19	6/30/19	7/31/19	8/31/19	9/30/19	10/31/19	LTM
Units Produced ('000)	7,934	5,174	7,786	7,371	8,389	7,725	8,493	8,905	8,339	9,076	8,551	9,067	96,810
Units Shipped ('000)	8,838	5,130	6,941	6,590	7,230	8,092	9,414	8,083	9,001	8,865	8,508	9,699	96,390
Net Revenue	\$ 14,094	\$ 8,817	\$ 10,942	\$ 10,785	\$ 11,404	\$ 13,094	\$ 15,515	\$ 13,593	\$ 14,669	\$ 14,926	\$ 13,879	\$ 15,932	\$ 157,649
Gross Margin	2,349	909	1,502	1,755	1,910	2,201	2,645	2,773	2,217	2,502	2,638	2,711	26,111
Gross Margin %	16.7%	10.3%	13.7%	16.3%	16.7%	16.8%	17.0%	20.4%	15.1%	16.8%	19.0%	17.0%	16.6%
SG&A	1,301	1,623	1,465	1,496	1,438	1,520	1,579	1,394	1,531	1,553	1,630	1,569	18,100
Reported EBITDA	1,047	(714)	37	259	472	680	1,066	1,379	687	949	1,008	1,142	8,012
Rep. EBITDA %	7.4%	(8.1%)	0.3%	2.4%	4.1%	5.2%	6.9%	10.1%	4.7%	6.4%	7.3%	7.2%	5.1%
Adj. EBITDA	1,047	(714)	37	259	472	680	1,066	1,379	687	949	1,008	1,142	8,012
Adj. EBITDA %	7.4%	(8.1%)	0.3%	2.4%	4.1%	5.2%	6.9%	10.1%	4.7%	6.4%	7.3%	7.2%	5.1%
Capex	\$ (803)	\$ (1,438)	\$ (489)	\$ (531)	\$ (560)	\$ (448)	\$ (519)	\$ (805)	\$ (761)	\$ (386)	\$ (500)	\$ (522)	\$ (7,762)
Accounts Receivable, Net	\$ 13,483	\$ 8,594	\$ 8,789	\$ 9,536	\$ 11,214	\$ 12,944	\$ 14,190	\$ 15,313	\$ 13,196	\$ 13,308	\$ 13,414	\$ 14,460	\$ 14,460
Inventory, Net	29,790	30,309	33,091	34,642	34,150	32,557	30,697	32,887	32,705	32,363	32,765	32,143	32,143
Accounts Payable	12,951	12,709	11,725	12,319	12,200	12,267	12,359	15,487	15,146	14,498	14,476	13,366	13,366
CCC	\$ 30,322	\$ 26,194	\$ 30,155	\$ 31,859	\$ 33,165	\$ 33,234	\$ 32,527	\$ 32,713	\$ 30,755	\$ 31,172	\$ 31,703	\$ 33,238	\$ 33,238
DSO	28.7	30.2	24.9	24.8	30.5	29.7	28.4	33.8	27.9	27.6	29.0	28.1	33.5
DSI	63.4	106.6	93.7	89.9	92.8	74.6	61.3	72.6	69.1	67.2	70.8	62.5	74.4
DPO	33.1	49.8	38.5	38.2	39.8	33.8	29.8	42.9	37.7	36.2	38.6	31.3	37.1
C2C	59.0	87.0	80.1	76.5	83.5	70.5	59.9	63.4	59.3	58.7	61.2	59.3	70.8
Bank revolver	\$ 12,019	\$ 10,222	\$ 14,340	\$ 16,533	\$ 18,750	\$ 19,505	\$ 19,025	\$ 17,818	\$ 17,338	\$ 16,897	\$ 16,663	\$ 17,396	\$ 17,396
Unclassified external debt / OID	14,062	13,634	13,926	13,779	13,318	13,257	13,058	13,270	13,079	12,825	12,727	12,662	12,662
OpenGate debt	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Debt Outstanding	26,080	23,857	28,266	30,311	32,068	32,761	32,084	31,088	30,418	29,721	29,390	30,057	30,057
Cash and equivalents	(0)	0	3	3	3	3	3	3	3	3	3	3	3
Total Net Debt	\$ 26,080	\$ 23,857	\$ 28,263	\$ 30,308	\$ 32,065	\$ 32,758	\$ 32,080	\$ 31,085	\$ 30,415	\$ 29,718	\$ 29,387	\$ 30,055	\$ 30,055
Beginning Cash Balance	\$ 0	\$ (0)	\$ 0	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 0
Add / (Less): Operating Cash Flow	1,750	3,372	(3,487)	(1,522)	(1,520)	(168)	1,136	2,150	1,381	966	873	(71)	4,860
Add / (Less): Investing Cash Flow	(803)	(1,438)	(489)	(531)	(560)	(448)	(519)	(805)	(761)	(386)	(500)	(522)	(7,762)
Add / (Less): Financing Cash Flow	(947)	(1,934)	3,979	2,053	2,080	616	(617)	(1,345)	(620)	(580)	(373)	593	2,906
Effect of FX rates / Other	—	—	—	—	—	—	—	—	—	—	—	—	—
Ending Cash Balance	\$ (0)	\$ 0	\$ 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	12/31/2015	12/31/2016	12/31/2017		12/31/2018	10/31/2019	12/31/2016	12/31/2017	12/31/2018	LTM v 2017 IC	%	2018 FC v IC
Total Net Revenue	\$ —	\$ 170,742	\$ 170,574		\$ 160,516	\$ 157,649						
EBITDA, Reported	—	12,278	8,346		8,346	8,012						
EBITDA, Reported %	N/A	7.2%	6.0%		5.2%	5.1%						
EBITDA, Adjusted	—	12,278	10,180		8,346	8,012						
EBITDA, Adjusted %	N/A	7.2%	6.0%		5.2%	5.1%						
Accounts Receivable, Net	—	11,660	8,594		9,802	14,460						
Inventory, Net	—	27,470	30,309		30,962	32,143						
Accounts Payable	—	7,504	12,709		12,627	13,366						
CCC	—	31,626	26,194		28,137	33,238						
Net Debt	\$ —	\$ 3,014	\$ 23,857		\$ 26,089	\$ 30,055						

Monthly P&L

\$'000	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	FY		FY		Var		PY	Var	
	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst		Bud		\$	%	Act	\$	%
Units Produced ('000)	7,786	7,371	8,389	7,725	8,493	8,905	8,339	9,076	8,551	9,067	9,028	5,886	98,615	108,274	(9,659)	(8.9%)	96,146	2,469	2.6%		
Units Shipped ('000)	6,941	6,590	7,230	8,092	9,414	8,083	9,001	8,865	8,508	9,699	9,358	6,133	97,913	109,580	(11,667)	(10.6%)	104,464	(6,551)	(6.3%)		
Bookings (\$'000)	\$ 11,857	\$ 10,031	\$ 11,903	\$ 14,734	\$ 16,015	\$ 15,048	\$ 15,207	\$ 15,021	\$ 14,552	\$ 16,419	\$ 16,182	\$ 9,356	\$ 166,326	\$ 180,948	\$ (14,622)	(8.1%)	\$ 173,588	\$ (7,263)	(4.2%)		
Backlog ('\$000)	\$ 9,269	\$ 8,356	\$ 8,460	\$ 9,671	\$ 9,716	\$ 11,128	\$ 11,147	\$ 10,612	\$ 10,856	\$ 10,685	\$ 13,391	\$ 11,911	\$ 11,911	\$ 11,911	\$ –	0.0%	\$ 8,368	\$ 3,543	42.3%		
Gross Revenue	\$ 11,539	\$ 11,249	\$ 11,985	\$ 13,794	\$ 16,301	\$ 14,255	\$ 15,452	\$ 15,784	\$ 14,665	\$ 16,974	\$ 16,477	\$ 10,759	\$ 169,234	\$ 188,036	\$ (18,802)	(10.0%)	\$ 180,283	\$ (11,049)	(6.1%)		
Adj. to Gross Revenue	(597)	(464)	(581)	(699)	(787)	(662)	(784)	(859)	(786)	(1,042)	(916)	(541)	(8,718)	(9,876)	1,158	(11.7%)	(9,708)	990	(10.2%)		
Net Revenue	10,942	10,785	11,404	13,094	15,515	13,593	14,669	14,926	13,879	15,932	15,561	10,218	160,516	178,160	(17,644)	(9.9%)	170,574	(10,058)	(5.9%)		
Material	5,204	5,301	5,464	6,521	7,703	6,428	7,195	7,385	6,640	8,001	7,836	4,565	78,243	88,355	(10,112)	(11.4%)	83,420	(5,177)	(6.2%)		
Labor	2,927	2,714	2,913	2,840	3,198	3,138	3,242	3,263	3,119	3,222	3,197	2,915	36,689	38,371	(1,681)	(4.4%)	38,503	(1,814)	(4.7%)		
Other COGS	1,309	1,015	1,117	1,533	1,968	1,255	2,014	1,776	1,482	1,998	1,780	1,527	18,773	20,261	(1,488)	(7.3%)	20,885	(2,112)	(10.1%)		
Total COGS	9,440	9,030	9,494	10,894	12,869	10,820	12,451	12,424	11,241	13,221	12,814	9,007	133,705	146,986	(13,282)	(9.0%)	142,807	(9,103)	(6.4%)		
Gross Margin	1,502	1,755	1,910	2,201	2,645	2,773	2,217	2,502	2,638	2,711	2,747	1,210	26,811	31,173	(4,362)	(14.0%)	27,767	(956)	(3.4%)		
Gross Margin %	13.7%	16.3%	16.7%	16.8%	17.0%	20.4%	15.1%	16.8%	19.0%	17.0%	17.7%	11.8%	16.7%	17.5%			16.3%				
R&D	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A		
Sales & Marketing	554	603	474	610	586	529	504	534	671	617	633	579	6,892	7,247	(355)	(4.9%)	7,045	(152)	(2.2%)		
Administrative	1,037	968	879	962	997	962	1,026	1,001	962	990	1,047	1,068	11,898	12,772	(874)	(6.8%)	10,240	1,658	16.2%		
Other Opex	(127)	(75)	85	(51)	(3)	(97)	1	18	(3)	(37)	(20)	(16)	(325)	(228)	(97)	42.4%	302	(627)	(207.7%)		
Total Opex	1,465	1,496	1,438	1,520	1,579	1,394	1,531	1,553	1,630	1,569	1,660	1,631	18,466	19,791	(1,325)	(6.7%)	17,587	879	5.0%		
EBITDA	37	259	472	680	1,066	1,379	687	949	1,008	1,142	1,087	(420)	8,346	11,382	(3,037)	(26.7%)	10,180	(1,835)	(18.0%)		
EBITDA %	0.3%	2.4%	4.1%	5.2%	6.9%	10.1%	4.7%	6.4%	7.3%	7.2%	7.0%	(4.1%)	5.2%	6.4%			6.0%				
Net Income (Loss)	\$ (886)	\$ (271)	\$ (1,280)	\$ (242)	\$ (169)	\$ 853	\$ (528)	\$ (410)	\$ (112)	\$ 116	\$ (82)	\$ (1,356)	\$ (4,368)	\$ (3,300)	\$ (1,068)	32.4%	\$ (3,490)	\$ (878)	25.2%		
Capex	\$ (489)	\$ (531)	\$ (560)	\$ (448)	\$ (519)	\$ (805)	\$ (761)	\$ (386)	\$ (500)	\$ (522)	\$ (398)	\$ (398)	\$ (6,317)	\$ (8,000)	\$ 1,683	(21.0%)	\$ (10,215)	\$ 3,898	(38.2%)		
Opex Overview:																					
Payroll	\$ 881	\$ 806	\$ 788	\$ 889	\$ 909	\$ 810	\$ 868	\$ 838	\$ 803	\$ 844	\$ 880	\$ 913	\$ 10,228	\$ 10,783	\$ (556)	(5.2%)	\$ 10,318	\$ (90)	(0.9%)		
Bonus	112	113	112	112	111	112	113	112	112	113	113	113	1,349	1,361	(12)	(0.9%)	159	1,190	748.5%		
Commissions	19	19	16	19	18	24	22	26	26	21	30	30	268	358	(90)	(25.2%)	187	81	43.4%		
Marketing	95	180	71	116	110	107	100	123	225	209	186	118	1,639	1,780	(142)	(8.0%)	1,679	(41)	(2.4%)		
Benefits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A		
Travel and entertainment	107	128	35	105	66	112	99	63	110	89	128	130	1,173	1,587	(415)	(26.1%)	1,231	(58)	(4.7%)		
Rent and facilities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A		
Insurance	29	21	31	20	28	25	28	32	27	29	28	24	321	336	(16)	(4.6%)	328	(7)	(2.1%)		
Professional fees	45	46	62	45	49	43	45	68	79	60	45	51	639	584	55	9.4%	585	54	9.2%		
Office Expenses	23	26	18	22	33	13	20	18	20	24	22	25	262	287	(25)	(8.7%)	287	(25)	(8.6%)		
IT	166	165	132	159	145	163	162	173	145	171	181	178	1,942	2,092	(150)	(7.2%)	1,634	308	18.9%		
Bad Debts	16	(0)	16	23	42	(0)	(0)	(0)	27	(0)	(0)	(0)	122	(5)	127	(2754.1%)	(80)	202	(253.7%)		
FX	(122)	(76)	115	(28)	24	(80)	5	40	(8)	(21)	–	–	(151)	–	(151)	N/A	384	(536)	(139.3%)		
JV Loss (Income)	(5)	1	(29)	(23)	(28)	(17)	(4)	(22)	5	(16)	(20)	(16)	(174)	(228)	54	(23.8%)	(83)	(91)	110.0%		
Other Expenses	98	67	73	61	70	82	74	82	59	48	67	66	848	853	(6)	(0.7%)	956	(108)	(11.3%)		
Total Opex	\$ 1,465	\$ 1,496	\$ 1,438	\$ 1,520	\$ 1,579	\$ 1,394	\$ 1,531	\$ 1,553	\$ 1,630	\$ 1,569	\$ 1,660	\$ 1,631	\$ 18,465	\$ 19,791	\$ (1,326)	(6.7%)	\$ 17,586	\$ 879	5.0%		

Monthly EBITDA to Net Income (Loss) Bridge

\$'000	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var		PY	Var	
	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
EBITDA - as reported	\$ 37	\$ 259	\$ 472	\$ 680	\$ 1,066	\$ 1,379	\$ 687	\$ 949	\$ 1,008	\$ 1,142	\$ 1,087	\$ (420)	\$ 8,346	\$11,382	\$ (3,037)	(26.7%)	\$ 10,180	\$ (1,835)	(18.0%)
Depreciation and amortization	(708)	(721)	(729)	(702)	(725)	(741)	(761)	(768)	(779)	(782)	(799)	(803)	(9,018)	(9,128)	110	(1.2%)	(7,801)	(1,216)	15.6%
Interest and amortization	(156)	(165)	(189)	(184)	(198)	(187)	(191)	(189)	(182)	(175)	(173)	(168)	(2,157)	(2,290)	133	(5.8%)	(1,869)	(288)	15.4%
Other financial income/expense	(26)	740	(617)	163	(128)	774	(111)	(238)	97	166	–	–	821	–	821	N/A	(1,463)	2,284	(156.1%)
Monitoring fees (including expenses)	(85)	(97)	(85)	(84)	(84)	(85)	(103)	(82)	(82)	(102)	(83)	(103)	(1,074)	(1,077)	3	(0.2%)	(1,091)	16	(1.5%)
Restructuring costs	–	–	–	–	–	36	–	–	(65)	–	–	–	(29)	–	(29)	N/A	(776)	747	(96.3%)
Non-recurring items	(137)	(201)	(128)	(44)	(42)	(215)	(20)	(45)	(39)	(4)	–	–	(877)	(478)	(399)	83.6%	(770)	(107)	13.9%
Taxes	189	(87)	(4)	(72)	(58)	(109)	(29)	(37)	(69)	(129)	(115)	138	(380)	(1,710)	1,330	(77.8%)	99	(478)	(484.3%)
GAAP Net Income (Loss)	\$ (886)	\$ (271)	\$ (1,280)	\$ (242)	\$ (169)	\$ 853	\$ (528)	\$ (410)	\$ (112)	\$ 116	\$ (82)	\$ (1,356)	\$ (4,368)	\$ (3,300)	\$ (1,068)	32.4%	\$ (3,490)	\$ (878)	25.2%

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 1.364 [USD\$0.73] on December 31, 2018 to 1.3156 [USD\$0.76] on October 31, 2019
- Non-recurring in October for reimbursement of expenses pertaining to OBI projects with The Practical Approach (\$4K)
- US Tax accrual of 129K in October 2019; Canadian deferred tax asset has not been increased since 2018 year end adjustments

Cost of Goods Sold Variance Analysis

\$'000

	MTD	QTD	YTD
Material	8,457	8,457	75,954
Labor	3,337	3,337	32,258
Other COGS	2,013	2,013	16,954
COGS Budget	\$ 13,807	\$ 13,807	\$ 125,166
<u>Variances:</u>			
Volume	(600)	(600)	(11,076)
Price	(179)	(179)	(1,415)
Other	323	323	2,379
Material	(456)	(456)	(10,112)
Volume	(24)	(24)	(672)
Price	–	–	–
Other	(92)	(92)	(1,009)
Labor	(116)	(116)	(1,681)
Volume	133	133	130
Price	–	–	–
Other	(147)	(147)	(1,619)
Other COGS	(14)	(14)	(1,489)
COGS Actual	\$ 13,221	\$ 13,221	\$ 111,884

Management Discussion - MTD

- **Material COGS:** Decrease of \$456K due to lower volume impact of \$600K (Sales volumes (lbs) lower by 5.4%), favorable resin material prices offset by higher additive pricing & higher glass pricing of \$179K and improved scrap utilization at ECS of \$25K; offset by unfavorable yields lower regrind usage at Woodbridge & Everett of \$348K (net of improved yields at Laval & Delmont)
- **Labor COGS:** Lower costs due to volume impact of \$24K, a favorable F/X impact of \$30K, headcount reduction initiatives and improved labor efficiency at Delmont, Terrebonne & ECS (net of increased overtime at Woodbridge and Everett to support tooling launches) of \$48K and a non-recurring WSIB claim refund of \$14K at Laval
- **Other COGS:** Decrease of \$14K due to lower freight costs as a result of lower sales volume and customer mix of \$89K, higher tool & die overhead recovery of \$87K and a favorable F/X impact of \$17K; partially offset by an unfavorable absorption impact of \$133K as a result of selling more out of inventory than Plan and higher overhead spending (ie. Utilities, maintenance, factory supplies) of \$45K

Monthly Cost of Goods Sold by Component

\$'000	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var		PY	Var	
	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
Material																			
Material costs at standard	\$ 5,265	\$ 5,218	\$ 5,418	\$ 6,548	\$ 7,512	\$ 6,461	\$ 6,984	\$ 7,167	\$ 6,465	\$ 7,827	\$ 7,886	\$ 4,585	\$ 77,335	\$ 88,508	\$ (11,174)	(12.6%)	\$ 84,102	\$ (6,768)	(8.0%)
Materials FX loss / (gain)	0	0	0	0	0	1	(0)	0	0	0	—	—	1	0	1	579.7%	0	1	320.3%
Purchase price variance	168	272	211	157	242	141	253	232	156	162	247	128	2,369	2,816	(448)	(15.9%)	(421)	2,790	(662.6%)
Supplier resin rebate	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Freight In	47	46	46	35	43	60	44	55	41	57	57	45	578	663	(85)	(12.8%)	680	(102)	(15.0%)
Scrap costs	(355)	(334)	(282)	(302)	(206)	(307)	(177)	(185)	(99)	(134)	(461)	(273)	(3,113)	(4,885)	1,772	(36.3%)	(2,101)	(1,012)	48.2%
Consumables	78	98	72	83	112	72	90	116	77	88	107	81	1,074	1,253	(180)	(14.3%)	1,159	(85)	(7.3%)
Total Material COGS	\$ 5,204	\$ 5,301	\$ 5,464	\$ 6,521	\$ 7,703	\$ 6,428	\$ 7,195	\$ 7,385	\$ 6,640	\$ 8,001	\$ 7,836	\$ 4,565	\$ 78,243	\$ 88,355	\$ (10,112)	(11.4%)	\$ 83,420	\$ (5,177)	(6.2%)
Labor																			
Direct labor	\$ 927	\$ 898	\$ 984	\$ 1,008	\$ 1,133	\$ 1,112	\$ 1,216	\$ 1,208	\$ 1,155	\$ 1,218	\$ 1,141	\$ 1,030	\$ 13,030	\$ 13,870	\$ (841)	(6.1%)	\$ 13,874	\$ (844)	(6.1%)
Direct labor - bonus	51	51	51	51	51	51	51	51	51	51	51	51	612	618	(6)	(1.0%)	79	532	669.9%
Direct labor - overtime	70	97	109	92	124	165	125	163	133	119	107	68	1,373	1,163	210	18.1%	1,594	(221)	(13.8%)
Direct labor - benefits	290	264	254	235	254	273	250	258	250	222	268	238	3,056	3,262	(206)	(6.3%)	3,366	(310)	(9.2%)
Direct labor - wcb benefits	18	(20)	17	(66)	22	21	21	21	20	7	23	19	104	265	(161)	(60.7%)	321	(217)	(67.5%)
Direct labor - other	0	(1)	(1)	(1)	(2)	2	(0)	(0)	(0)	(0)	1	1	(3)	9	(12)	(134.0%)	(1)	(2)	149.6%
Indirect labor	1,520	1,362	1,447	1,462	1,565	1,463	1,528	1,512	1,458	1,553	1,545	1,448	17,862	18,438	(575)	(3.1%)	19,031	(1,169)	(6.1%)
Indirect labor – bonus	51	51	51	51	51	51	51	51	51	51	51	51	612	618	(6)	(1.0%)	79	532	669.9%
Sub-contractor costs	—	12	2	10	—	—	—	—	—	—	11	7	42	127	(85)	(66.7%)	159	(117)	(73.4%)
Total Labor COGS	\$ 2,927	\$ 2,714	\$ 2,913	\$ 2,840	\$ 3,198	\$ 3,138	\$ 3,242	\$ 3,263	\$ 3,119	\$ 3,222	\$ 3,197	\$ 2,915	\$ 36,689	\$ 38,371	\$ (1,681)	(4.4%)	\$ 38,503	\$ (1,814)	(4.7%)
Other																			
Repairs and maintenance	\$ 115	\$ 26	\$ 78	\$ 34	\$ 44	\$ 62	\$ 83	\$ 80	\$ (35)	\$ 49	\$ 104	\$ 128	\$ 766	\$ 1,037	\$ (271)	(26.1%)	\$ 1,222	\$ (457)	(37.3%)
Absorption	(234)	(425)	(600)	86	312	(475)	235	(71)	(135)	223	(4)	(24)	(1,113)	(1,049)	(64)	6.1%	(622)	(491)	78.9%
Freight out	625	533	704	712	772	724	752	762	747	760	780	543	8,414	9,368	(954)	(10.2%)	9,785	(1,371)	(14.0%)
Rent / facilities	125	167	193	76	185	183	189	208	183	171	138	205	2,024	1,840	184	10.0%	1,511	513	34.0%
Utilities	479	508	539	458	435	590	535	611	506	619	559	512	6,354	6,711	(357)	(5.3%)	6,579	(226)	(3.4%)
Other cost of sales	199	206	202	167	220	171	221	186	216	176	204	162	2,328	2,355	(26)	(1.1%)	2,409	(81)	(3.4%)
Total Other COGS	\$ 1,309	\$ 1,015	\$ 1,117	\$ 1,533	\$ 1,968	\$ 1,255	\$ 2,014	\$ 1,776	\$ 1,482	\$ 1,998	\$ 1,780	\$ 1,527	\$ 18,773	\$ 20,261	\$ (1,488)	(7.3%)	\$ 20,885	\$ (2,112)	(10.1%)

Management Discussion

Material COGS: Decrease of \$10,112K due to a lower volume impact of \$11,076K (Sales volumes (lbs) lower by 12.4%), unfavorable yields and higher scrap (net of regrind usage) at Woodbridge, Delmont & Everett of \$2,256K; unfavorable E&O reserves at Woodbridge, Everett and Terrebonne of \$317K, partially offset by improved scrap and favorable PPV at ECS of \$1,609K

Labor COGS: Lower costs due to volume impact of \$672K, out-of-period workers' compensation refunds at Laval and Everett of \$184K, a favorable F/X impact of \$382K and headcount reduction initiatives / improved labor efficiency at Laval, Delmont, Terrebonne and ECS (net of increased overtime at Woodbridge and Everett to support tooling launches) of \$443K

Other COGS: Decrease of \$1,488K due to lower freight costs of \$842K, lower overhead spending of \$270K (ie. Maintenance costs, utilities, factory supplies), a higher tool & die absorption recovery impact of \$304K, lower property tax adjustment at Everett of \$87K, a favorable F/X impact of \$115K partially offset by an unfavorable absorption impact of \$130K

Monthly Balance Sheet

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	FY	FY	Var	
\$'000	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Bud	\$	%
Current Assets																
Cash and cash equivalents	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 0	\$ 3	739066.5%
Short term investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
<i>Accounts receivable, gross</i>	9,182	9,929	11,613	13,369	14,654	15,793	13,673	13,780	13,915	14,965	13,521	10,481	10,481	8,958	1,523	17.0%
<i>Accounts receivable, reserves</i>	(393)	(393)	(399)	(425)	(465)	(479)	(477)	(472)	(501)	(504)	(679)	(679)	(679)	(363)	(316)	86.9%
Accounts receivable, net	8,789	9,536	11,214	12,944	14,190	15,313	13,196	13,308	13,414	14,460	12,842	9,802	9,802	8,594	1,208	14.1%
<i>Inventory, gross</i>	34,588	36,157	35,647	34,119	32,304	34,675	34,503	34,146	34,529	33,944	32,471	32,668	32,668	31,776	892	2.8%
<i>Inventory, reserves</i>	(1,497)	(1,514)	(1,497)	(1,562)	(1,608)	(1,789)	(1,797)	(1,783)	(1,764)	(1,801)	(1,702)	(1,706)	(1,706)	(1,467)	(239)	16.3%
Inventory, net	33,091	34,642	34,150	32,557	30,697	32,887	32,705	32,363	32,765	32,143	30,769	30,962	30,962	30,309	653	2.2%
Prepaid expenses and other current assets	3,145	3,030	3,051	3,909	4,233	4,279	4,257	4,035	3,848	3,866	3,110	2,832	2,832	2,942	(109)	(3.7%)
Other current assets	761	864	804	790	865	830	1,026	932	911	894	1,829	682	682	901	(218)	(24.2%)
Total Current Assets	45,790	48,076	49,223	50,203	49,987	53,312	51,187	50,640	50,941	51,367	48,552	44,281	44,281	42,746	1,536	3.6%
Non-Current Assets																
<i>Property, plant & equipment, gross</i>	66,687	67,249	66,818	67,503	67,826	69,761	70,321	70,322	70,962	71,741	73,935	74,303	74,303	64,977	9,326	14.4%
<i>Accumulated depreciation</i>	(18,755)	(19,488)	(19,863)	(20,649)	(21,300)	(22,479)	(23,152)	(23,765)	(24,601)	(25,492)	(23,906)	(24,569)	(24,569)	(17,639)	(6,930)	39.3%
Property, plant & equipment, net	47,932	47,761	46,955	46,853	46,525	47,282	47,169	46,557	46,361	46,249	50,028	49,734	49,734	47,338	2,395	5.1%
Deferred financing cost	546	533	510	499	484	479	464	448	435	423	408	395	395	548	(153)	(27.9%)
Deferred tax asset	2,961	2,963	2,898	2,913	2,901	2,973	2,963	2,938	2,947	2,963	1,367	1,367	1,367	2,879	(1,513)	(52.5%)
Other non-current assets	2,688	2,690	2,644	2,685	2,698	2,791	2,784	2,784	2,791	2,825	3,274	3,331	3,331	2,616	715	27.3%
Total Non-Current Assets	54,127	53,947	53,007	52,950	52,607	53,535	53,388	52,727	52,534	52,461	55,077	54,826	54,826	53,382	1,444	2.7%
Total Assets	\$ 99,917	\$ 102,023	\$ 102,229	\$ 103,153	\$ 102,595	\$ 106,848	\$ 104,574	\$ 103,368	\$ 103,475	\$ 103,828	\$ 103,630	\$ 99,107	\$ 99,107	\$ 96,127	\$ 2,980	3.1%
Current Liabilities																
Bank Debt	\$ 14,340	\$ 16,533	\$ 18,750	\$ 19,505	\$ 19,025	\$ 17,818	\$ 17,338	\$ 16,897	\$ 16,663	\$ 17,396	\$ 14,909	\$ 13,864	\$ 13,864	\$ 10,222	\$ 3,641	35.6%
Current Portion - Long Term Debt	1,678	1,665	1,639	1,648	1,640	1,683	1,676	1,662	1,667	1,677	1,800	1,800	1,800	1,628	172	10.6%
Accounts payable	11,725	12,319	12,200	12,267	12,359	15,487	15,146	14,498	14,476	13,366	14,456	12,627	12,627	12,709	(82)	(0.6%)
Accrued liabilities	4,045	3,378	3,727	3,515	3,556	3,864	3,513	3,630	3,707	3,923	3,189	2,808	2,808	3,343	(535)	(16.0%)
Accrued compensation	2,492	2,800	2,877	3,338	3,488	3,931	3,435	3,952	4,303	4,461	4,780	5,149	5,149	2,521	2,628	104.2%
Income taxes payable	(189)	(102)	(344)	(275)	(215)	(118)	46	86	192	419	1,848	1,710	1,710	(246)	1,956	(793.7%)
Contingent consideration	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	—	—	—	1,301	(1,301)	(100.0%)
Other current liabilities	101	97	124	125	132	125	127	122	116	115	111	107	107	97	11	11.0%
Total Current Liabilities	35,493	37,990	40,273	41,423	41,287	44,090	42,582	42,149	42,425	42,657	41,094	38,065	38,065	31,576	6,490	20.6%
Long-term liabilities																
Long-term debt less current maturities	12,248	12,114	11,679	11,609	11,418	11,587	11,403	11,163	11,060	10,985	10,571	10,428	10,428	12,006	(1,579)	(13.1%)
Deferred income taxes	9,753	9,757	9,642	9,669	9,647	9,775	9,756	9,713	9,729	9,757	7,785	7,785	7,785	9,610	(1,825)	(19.0%)
Other non-current liabilities	1,525	1,530	1,491	1,503	1,497	1,597	1,591	1,577	1,585	1,598	1,482	1,486	1,486	1,468	18	1.2%
Total Long-Term Liabilities	23,526	23,400	22,812	22,781	22,562	22,959	22,751	22,453	22,374	22,340	19,838	19,699	19,699	23,084	(3,386)	(14.7%)
Total Liabilities	59,019	61,391	63,085	64,205	63,849	67,049	65,333	64,602	64,799	64,997	60,931	57,764	57,764	54,660	3,104	5.7%
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	29,143	28,871	27,592	27,350	27,180	28,033	27,505	27,095	26,982	27,099	30,619	29,263	29,263	30,039	(776)	(2.6%)
Accumulated other comprehensive income	(855)	(850)	(1,058)	(1,011)	(1,045)	(845)	(873)	(938)	(916)	(878)	(530)	(530)	(530)	(1,181)	652	(55.2%)
Total Shareholders' Equity	40,898	40,632	39,144	38,948	38,746	39,798	39,241	38,766	38,676	38,831	42,699	41,343	41,343	41,467	(124)	(0.3%)
Total Liabilities and Shareholders' Equity	\$ 99,917	\$ 102,023	\$ 102,229	\$ 103,153	\$ 102,595	\$ 106,848	\$ 104,574	\$ 103,368	\$ 103,475	\$ 103,828	\$ 103,630	\$ 99,107	\$ 99,107	\$ 96,127	\$ 2,980	3.1%

Balance Sheet – Year on Year Comparison

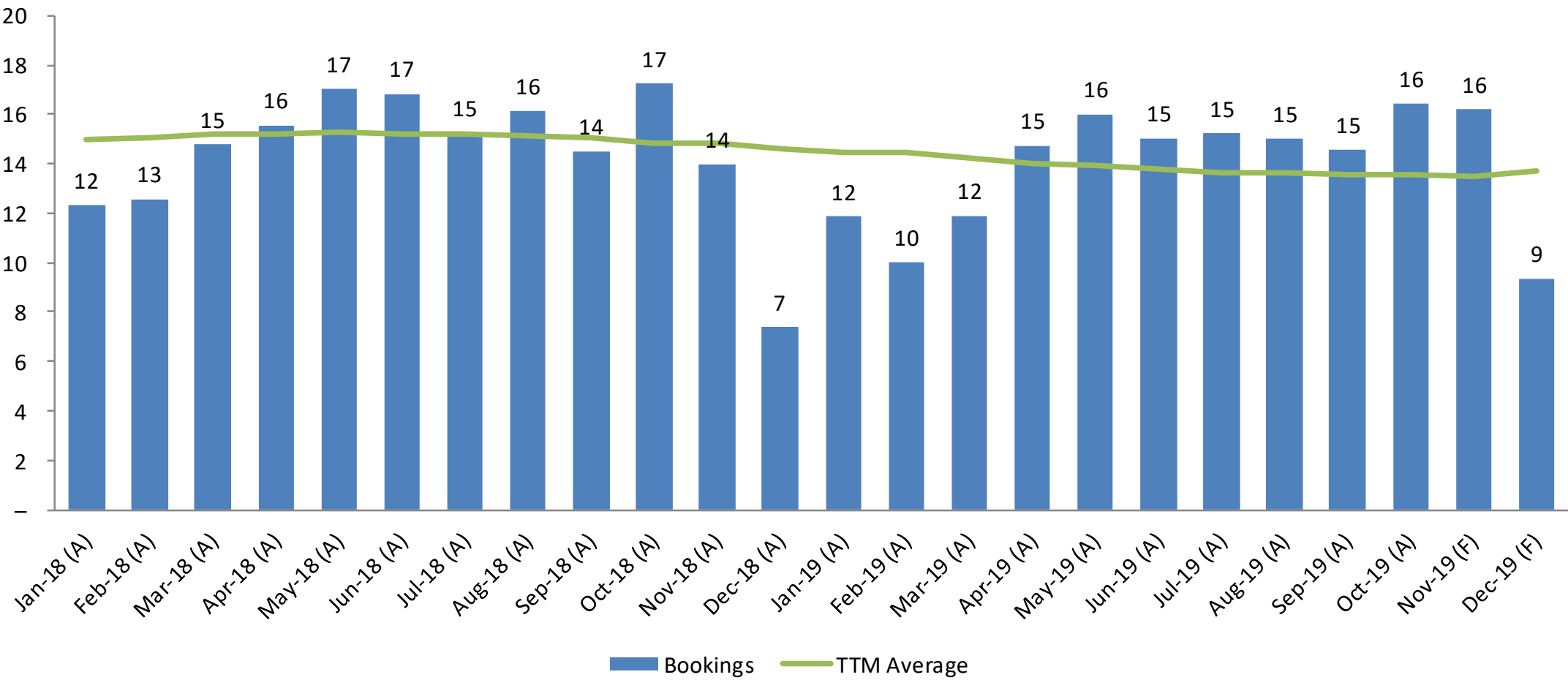
\$'000	YTD		Variance	
	CY	PY	\$	%
<u>Current Assets</u>				
Cash and cash equivalents	\$ 3	\$ (0)	\$ 3	(1084508.9%)
Short term investments	–	–	–	N/A
<i>Accounts receivable, gross</i>	14,965	14,935	29	0.2%
<i>Accounts receivable, reserves</i>	(504)	(662)	158	(23.9%)
Accounts receivable, net	14,460	14,273	187	1.3%
<i>Inventory, gross</i>	33,944	32,093	1,851	5.8%
<i>Inventory, reserves</i>	(1,801)	(1,565)	(236)	15.1%
Inventory, net	32,143	30,528	1,615	5.3%
Prepaid expenses and other current assets	3,866	3,411	455	13.3%
Other current assets	894	2,069	(1,174)	(56.8%)
Total Current Assets	51,367	50,281	1,086	2.2%
<u>Non-Current Assets</u>				
<i>Property, plant & equipment, gross</i>	71,741	64,032	7,709	12.0%
<i>Accumulated depreciation</i>	(25,492)	(16,695)	(8,797)	52.7%
Property, plant & equipment, net	46,249	47,337	(1,088)	(2.3%)
Deferred financing cost	423	583	(160)	(27.4%)
Deferred tax asset	2,963	1,356	1,607	118.6%
Other non-current assets	2,825	2,798	27	1.0%
Total Non-Current Assets	52,461	52,074	387	0.7%
Total Assets	\$ 103,828	\$ 102,355	\$ 1,472	1.4%
<u>Current Liabilities</u>				
Bank Debt	\$ 17,396	\$ 12,826	\$ 4,569	35.6%
Current Portion - Long Term Debt	1,677	1,760	(83)	(4.7%)
Accounts payable	13,366	12,897	469	3.6%
Accrued liabilities	3,923	4,125	(201)	(4.9%)
Accrued compensation	4,461	2,931	1,529	52.2%
Income taxes payable	419	832	(414)	(49.7%)
Contingent consideration	1,301	1,309	(8)	(0.6%)
Other current liabilities	115	101	15	14.6%
Total Current Liabilities	42,657	36,781	5,876	16.0%
<u>Long-term liabilities</u>				
Long-term debt less current maturities	10,985	12,584	(1,599)	(12.7%)
Deferred income taxes	9,757	7,752	2,005	25.9%
Other non-current liabilities	1,598	1,517	80	5.3%
Total Long-Term Liabilities	22,340	21,853	487	2.2%
Total Liabilities	64,997	58,634	6,363	10.9%
Commitments and contingencies	–	–	–	N/A
<u>Shareholders' Equity</u>				
Common stock	12,610	12,610	–	0.0%
Retained earnings	27,099	31,780	(4,681)	(14.7%)
Accumulated other comprehensive income	(878)	(669)	(209)	31.3%
Total Shareholders' Equity	38,831	43,721	(4,891)	(11.2%)
Total Liabilities and Shareholders' Equity	\$ 103,828	\$ 102,355	\$ 1,472	1.4%

Monthly Cash Flow

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	FY	FY	Var		PY	Var	
\$'000	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
Cash flow from operations																			
Net Income (Loss)	\$ (886)	\$ (271)	\$ (1,280)	\$ (242)	\$ (169)	\$ 853	\$ (528)	\$ (410)	\$ (112)	\$ 116	\$ (82)	\$ (1,356)	\$ (4,368)	\$ (3,300)	\$ (1,068)	32.4%	\$ (3,987)	\$ (382)	9.6%
Depreciation, amortization and other	708	721	729	702	725	741	761	768	779	782	799	803	9,018	9,128	(110)	(1.2%)	7,801	1,216	15.6%
Non-cash loss/expense (gain)	(161)	(7)	201	(62)	36	(213)	64	83	(14)	(62)	667	(151)	379	(307)	686	(223.4%)	377	1	0.4%
Deferred income tax	143	3	(115)	27	(22)	128	(19)	(43)	15	28	(1,972)	–	(1,825)	148	(1,973)	(1331.0%)	(1,301)	(524)	40.3%
Change in operating assets and liabilities:																N/A			
Accounts receivable	(195)	(747)	(1,678)	(1,730)	(1,246)	(1,124)	2,118	(112)	(107)	(1,046)	1,619	3,040	(1,208)	(1,173)	(35)	3.0%	3,252	(4,460)	(137.1%)
Inventory	(2,782)	(1,552)	492	1,593	1,861	(2,190)	181	342	(403)	623	1,374	(193)	(653)	(690)	37	(5.4%)	(594)	(59)	9.9%
Prepaid expenses and other current assets	(64)	12	39	(843)	(400)	(11)	(173)	316	208	(2)	(179)	1,425	328	328	–	0.0%	456	(128)	(28.1%)
Accounts payable	(984)	594	(119)	68	92	3,128	(340)	(648)	(22)	(1,111)	1,091	(1,829)	(82)	(82)	(0)	0.0%	(379)	296	(78.3%)
Accrued expenses	673	(359)	426	249	192	750	(846)	635	427	375	(415)	(12)	2,093	2,344	(251)	(10.7%)	(2,316)	4,408	(190.4%)
Accrued income taxes	58	87	(242)	69	60	96	164	40	106	227	1,429	(138)	1,956	1,060	896	84.5%	751	1,205	160.6%
Other changes in operating assets and liabilities	4	(4)	27	1	7	(7)	1	(5)	(6)	(1)	(1,305)	(4)	(1,290)	(1,290)	–	0.0%	65	(1,355)	(2097.6%)
Other cash flow from operations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Total Cash Flow from Operations	\$ (3,487)	\$ (1,522)	\$ (1,520)	\$ (168)	\$ 1,136	\$ 2,150	\$ 1,381	\$ 966	\$ 873	\$ (71)	\$ 3,025	\$ 1,584	\$ 4,347	\$ 6,166	\$ (1,819)	(29.5%)	\$ 4,126	\$ 222	5.4%
Cash flow from investing																			
Additions to property, plant and equipment	\$ (489)	\$ (531)	\$ (560)	\$ (448)	\$ (519)	\$ (805)	\$ (761)	\$ (386)	\$ (500)	\$ (522)	\$ (398)	\$ (398)	\$ (6,317)	\$ (8,000)	\$ 1,683	(21.0%)	\$ (10,215)	\$ 3,898	(38.2%)
Earnout payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Other cash flow from investing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Total Cash Flow from Investing	\$ (489)	\$ (531)	\$ (560)	\$ (448)	\$ (519)	\$ (805)	\$ (761)	\$ (386)	\$ (500)	\$ (522)	\$ (398)	\$ (398)	\$ (6,317)	\$ (8,000)	\$ 1,683	(21.0%)	\$ (10,215)	\$ 3,898	(38.2%)
Cash flow from financing																			
Proceeds from the issuance (repayment) of short-term debt	\$ 4,118	\$ 2,193	\$ 2,218	\$ 754	\$ (479)	\$ (1,207)	\$ (480)	\$ (442)	\$ (234)	\$ 733	\$ (2,487)	\$ (1,045)	\$ 3,641	\$ 3,556	\$ 85	2.4%	\$ 6,282	\$ (2,641)	(42.0%)
Proceeds from the issuance of debt	(0)	0	(0)	0	(0)	0	0	0	0	(0)	(0)	0	0	–	0	N/A	1,207	(1,207)	(100.0%)
Repayment of debt	(138)	(139)	(138)	(138)	(137)	(139)	(140)	(139)	(139)	(139)	(141)	(141)	(1,669)	(1,719)	51	(2.9%)	(1,400)	(269)	19.2%
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	\$ 3,979	\$ 2,053	\$ 2,080	\$ 616	\$ (617)	\$ (1,345)	\$ (620)	\$ (580)	\$ (373)	\$ 593	\$ (2,628)	\$ (1,186)	\$ 1,973	\$ 1,837	\$ 136	7.4%	\$ 6,089	\$ (4,117)	(67.6%)
Effect of FX rates on cash and cash equivalents	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	N/A	\$ –	\$ -	N/A
Net change in cash	\$ 3	\$ 0	\$ (0)	\$ 0	\$ (0)	\$ 0	\$ (0)	\$ (0)	\$ (0)	\$ 0	\$ (0)	\$ (0)	\$ 3	\$ 3	\$ (0)	(0.0%)	\$ (0)	\$ 3	(1065.8%)
Beginning cash	0	3	3	3	3	3	3	3	3	3	3	3	0	0	–	–	(0)	\$ 0	(100.1%)
Change in cash	3	0	(0)	0	(0)	0	(0)	(0)	(0)	0	(0)	(0)	3	3	(0)	(0.0%)	(0)	\$ 3	(1065.8%)
Ending cash	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 0	0.0%	\$ 0	\$ 3	26324232.7%

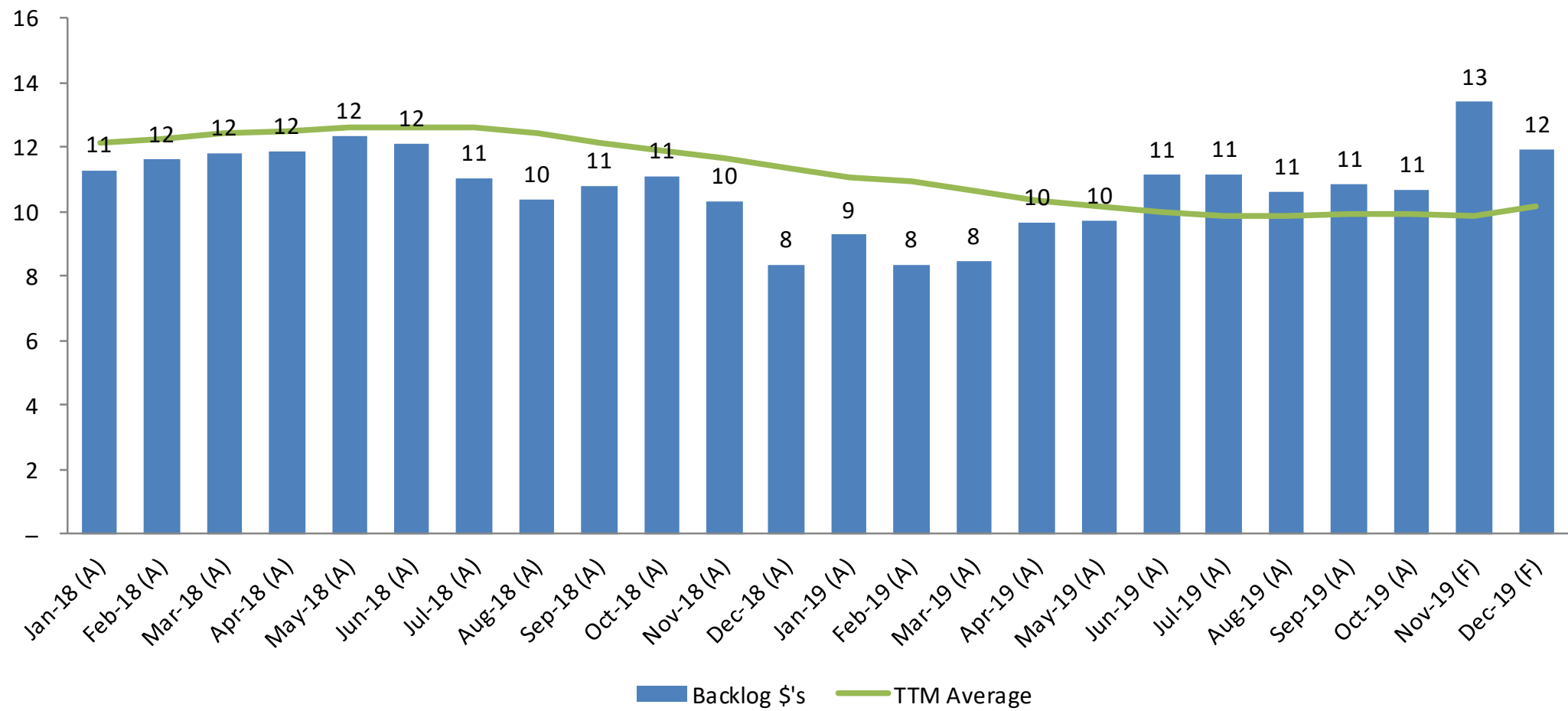
Trended Monthly Bookings

\$ in millions



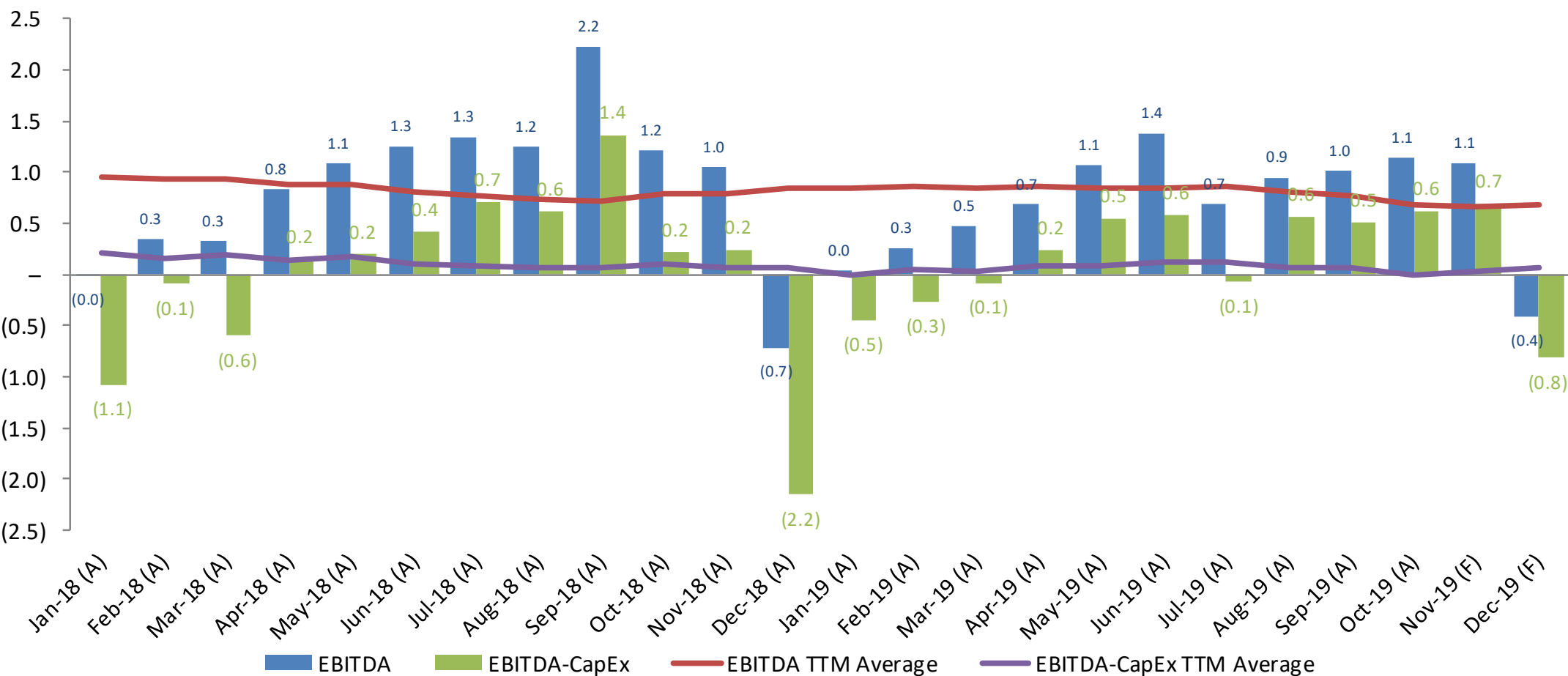
Trended Monthly Backlog

\$ in millions



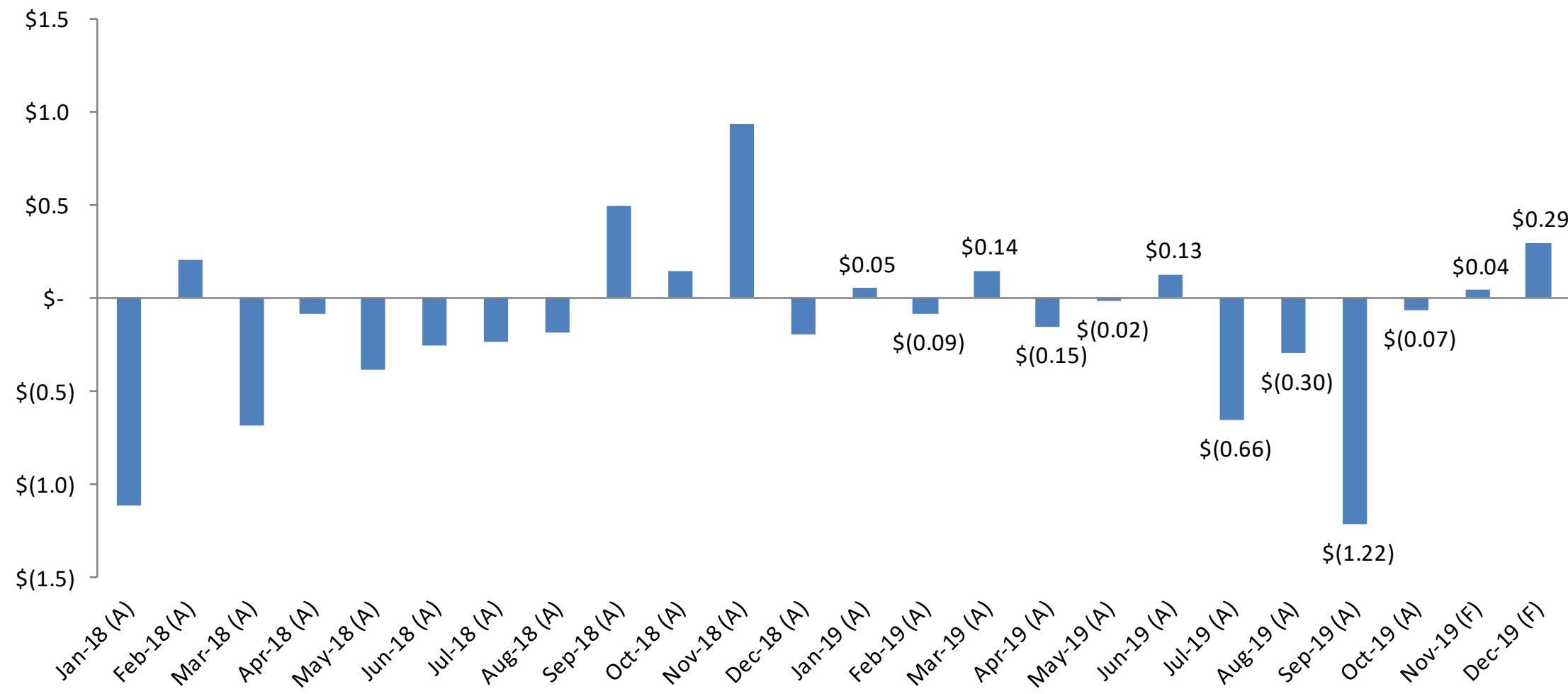
EBITDA and EBITDA-CapEx

\$ in millions



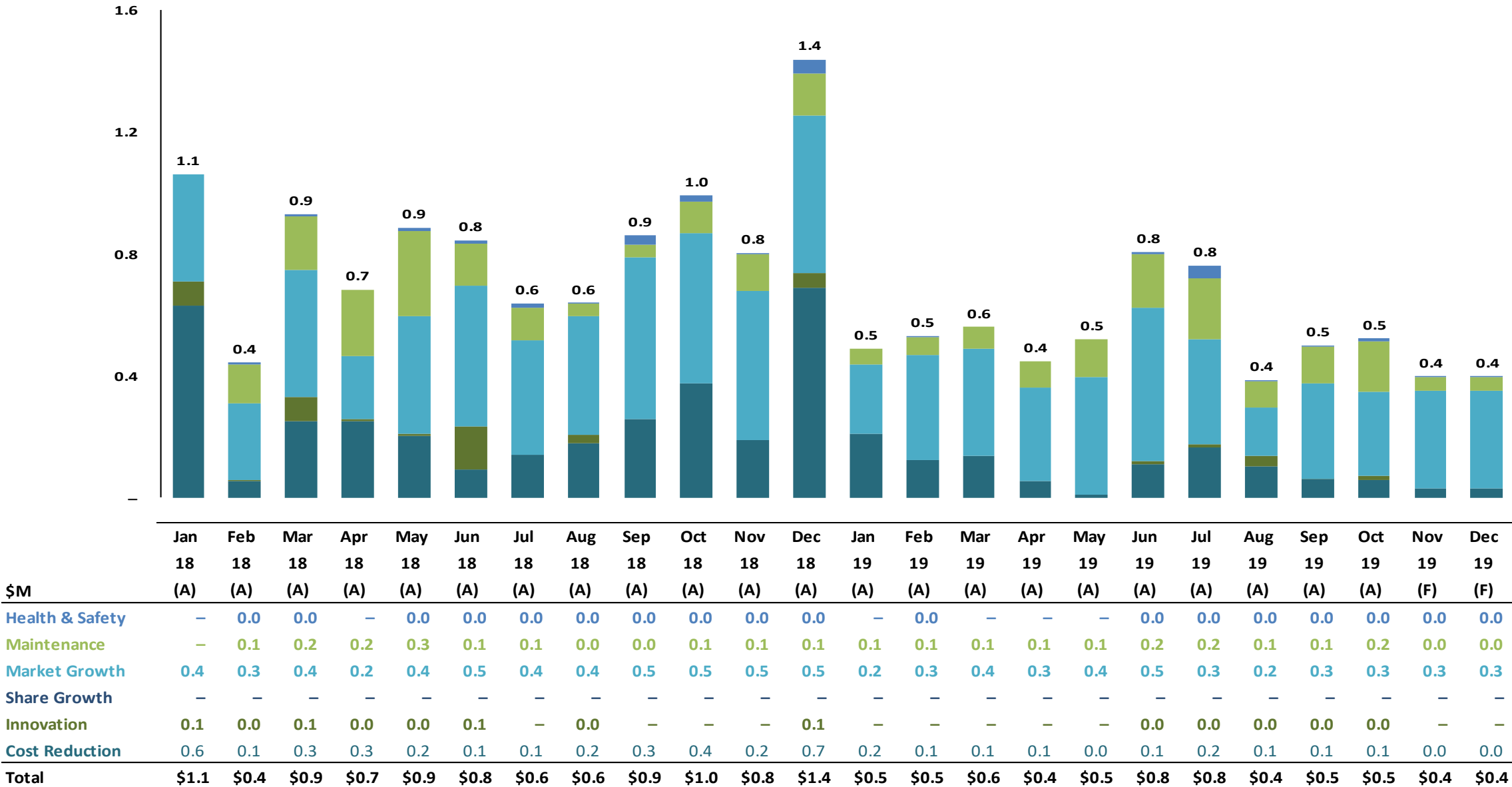
Y-o-Y \$ EBITDA Change

\$ 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
2019 January (A)	324	154	81	35	13	26	59	–	692	24	716	780	(64)
2019 February (A)	331	156	81	35	13	26	60	–	702	27	729	802	(73)
2019 March (A)	331	160	81	36	13	26	62	–	709	36	745	802	(57)
2019 April (A)	321	158	81	36	13	25	61	–	695	29	724	813	(89)
2019 May (A)	324	161	80	37	13	28	63	–	706	64	770	818	(48)
2019 June (A)	328	160	79	36	13	24	63	–	703	108	811	832	(21)
2019 July (A)	320	163	79	36	13	25	62	–	698	125	823	826	(3)
2019 August (A)	318	160	81	36	13	25	61	–	694	110	804	825	(21)
2019 September (A)	317	159	80	35	13	26	61	–	691	96	787	797	(10)
2019 October (A)	315	160	77	35	13	21	60	–	681	94	775	797	(21)
2019 November (F)	349	164	88	37	15	30	59	–	742	52	794	794	–
2019 December (F)	349	164	88	37	15	30	59	–	742	40	782	782	–
Final Headcount	349	164	88	37	15	30	59	–	742	40	782	782	–

Management Discussion

- Head Office : Resignation of Salesman, Termination of Director of Operations
- Laval: 4 less people and Johanne Béchard laid off and transfer to Patio Door.
- Terrebonne: 5 less people. Resignation of Benoit Audette and Eric Belisle. Termination of Chantal Brouillard

Headcount Hires and Attrition

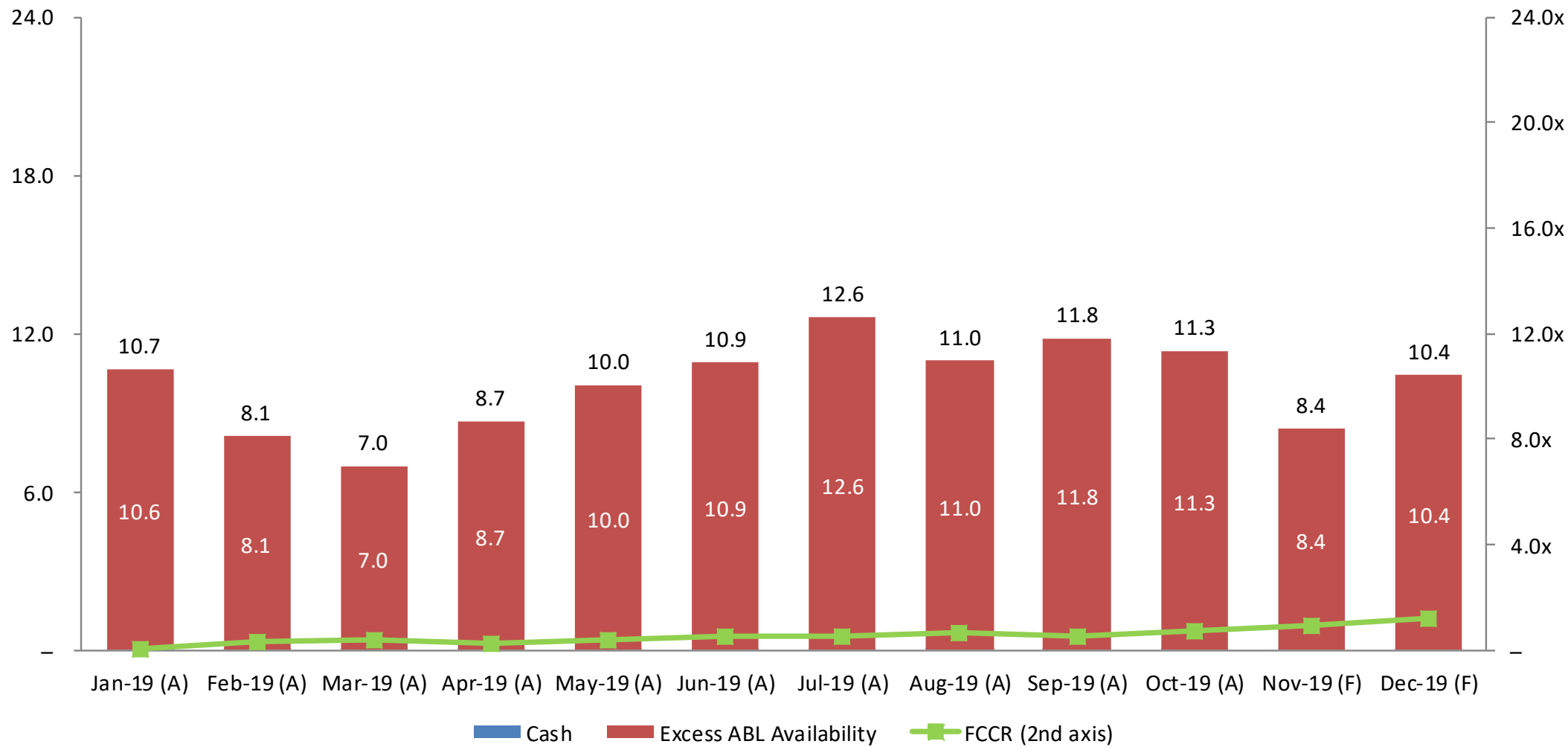
Functional Area	Start of Month	Hires	Transfers	Involuntary		Voluntary Term	End of Month	Rfc Headcount	Difference to Rfc
				Term					
Direct Labor	317	3	-	(2)		(3)	315	357	42
Indirect Labor - Hourly	159	1	1	-		(1)	160	164	4
Indirect Labor - Salary	80	-	(2)	-		(1)	77	88	11
Delivery & Dist.	35	-	-	-		-	35	37	2
Research & Development	13	-	-	-		-	13	15	2
Sales & Marketing	26	-	(1)	(2)		(2)	21	30	9
Administrative	61	-	-	(1)		-	60	59	(1)
Other	-	-	-	-		-	-	-	-
Agency FTE & Temps	96	5	2	(7)		(2)	94	47	(47)
Total	787	9	-	(12)		(9)	775	797	21

Management Discussion

- Net decrease of 12 employees during the month, mainly Sales & Marketing and Administrative
- Hiring mainly in Temps and DL

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)	2,565	3,237	(673)	(20.8%)	26,905	31,819	(4,914)	(15.4%)
Units Shipped ('000)	3,023	3,437	(414)	(12.0%)	26,148	29,279	(3,132)	(10.7%)
Bookings (\$'000)	\$ 4,017	\$ 5,008	\$ (991)	(19.8%)	\$ 34,087	\$ 40,346	\$ (6,259)	(15.5%)
Backlog ('\$000)	\$ 2,334	\$ 2,855	\$ (520)	(18.2%)	\$ 2,334	\$ 2,855	\$ (520)	(18.2%)
Gross Revenue	\$ 4,406	\$ 4,829	\$ (423)	(8.8%)	\$ 37,136	\$ 44,149	\$ (7,013)	(15.9%)
Adj. to Gross Revenue	(255)	(314)	59	(18.7%)	(2,097)	(2,678)	581	(21.7%)
Net Revenue	4,151	4,515	(365)	(8.1%)	35,039	41,471	(6,432)	(15.5%)
Material	2,598	2,805	(207)	(7.4%)	22,599	26,041	(3,442)	(13.2%)
Labor	831	873	(42)	(4.8%)	8,135	8,451	(317)	(3.7%)
Other COGS	365	249	116	46.4%	1,720	1,600	120	7.5%
Total COGS	3,794	3,927	(133)	(3.4%)	32,454	36,093	(3,639)	(10.1%)
Gross Margin	357	588	(231)	(39.3%)	2,585	5,378	(2,793)	(51.9%)
Gross Margin %	8.6%	13.0%			7.4%	13.0%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	23	31	(8)	(26.1%)	183	256	(73)	(28.4%)
Administrative	320	329	(9)	(2.8%)	3,196	3,294	(99)	(3.0%)
Other Opex	(9)	(20)	11	(55.0%)	(101)	(192)	90	(47.1%)
Total Opex	334	340	(6)	(1.9%)	3,278	3,359	(81)	(2.4%)
EBITDA	23	248	(225)	(90.8%)	(693)	2,019	(2,712)	(134.3%)
EBITDA %	0.5%	5.5%			(2.0%)	4.9%		
Net Income (Loss)	\$ (230)	\$ 12	\$ (242)	(1969.9%)	\$ (3,028)	\$ (298)	\$ (2,730)	916.8%
Capex	\$ (53)	\$ —	\$ (53)	N/A	\$ (1,644)	\$ (1,365)	\$ (278)	20.4%
Opex Overview:								
Payroll	\$ 57	\$ 64	\$ (7)	(10.7%)	\$ 538	\$ 602	\$ (65)	(10.7%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	10	10	(0)	(2.3%)	63	100	(37)	(37.3%)
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	0	3	(3)	(91.0%)	6	7	(2)	(21.1%)
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	3	5	(1)	(28.2%)	34	42	(8)	(18.4%)
Professional fees	1	—	1	N/A	32	23	9	38.9%
Utilities, repair, maintenance, an	2	2	(0)	(7.2%)	30	23	8	33.7%
Corporate OH Fees	269	274	(5)	(1.9%)	2,678	2,736	(57)	(2.1%)
Bad Debts	(0)	(0)	0	(78.7%)	(3)	(4)	1	(35.0%)
FX	7	—	7	N/A	36	—	36	N/A
JV Loss (Income)	(16)	(20)	4	(19.6%)	(137)	(192)	54	(28.3%)
Other Expenses	—	2	(2)	(100.0%)	0	21	(21)	(98.4%)
Total Opex	\$ 334	\$ 340	\$ (6)	(1.9%)	\$ 3,278	\$ 3,359	\$ (81)	(2.4%)

Management Discussion

Net Revenue – Oct-19: (\$365K):

- Sales volume down 12.0% or \$544k due to decreased demand from All Weather, JV, Vinylbilt, Ostaco & Ventana (bankrupt); offset by higher than expected levels with Quaker, Vinyl-Pro, Hunter Douglas & Terrebonne.
- Favorable rebates/accruals \$29k primarily due to lower sales volume with ATIS (Vinylbilt), Ostaco
- Unfavorable returns \$8k
- Favorable product/customer mix of \$209k driven by higher ASP from Quaker, Terrebonne, PGT, Hunter Douglas & D&W and lower ATIS volumes
- Unfavorable F/X of \$51k (actual rate of 1.3190 [or \$USD 0.7582] vs. 1.30 [or \$USD 0.7692])

EBITDA – Oct-19: (\$225K):

- Material COGS:** Decreased costs by \$207k driven by lower sales volumes \$338k; offset by lower yields & additional scrap 83.5% vs 86.0% \$57k (Shorter production runs, Cellular material issues & increased trial/testing costs); decrease regrind usage (20.23% vs 21.54%) \$20k (product mix/process issues); finished goods scrap \$26k (Joint Venture Pitting & All Weather X0799 out of spec); and increased material prices \$28k (Cellular Foam, ECS for JV and Packaging material)
- Labor COGS:** Decreased costs by \$42k driven by lower production volumes (-20.8%) \$103k & lower subcontracting (cellular regrind) \$11k; offset by inefficiencies due to poor yields, additional OT to support new product launch, tooling activities, higher inspections/temps & weekend work \$30k.
- Other COGS:** Increased costs by \$116k driven by lower JV overhead recovery \$33k (lower sales volume & 1 less line charges); additional warehouse costs \$17k (storage trailers) & decreased net absorption \$72k.
- Sales and Marketing:** Decreased costs by \$8k due to lower wages (1 less headcount) and product development costs.
- Administrative:** Decreased costs by \$9k due to lower wages and favorable F/X.
- Other Opex:** Increased costs of \$11k driven by lower JV Equity Income \$4k (lower sales volumes; offset by 1 less line charge) and unfavorable F/X revaluation of working capital balances \$7k

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 VINYL BILT LIMITED	\$	794	\$	956	\$	(161)	(16.9%)	\$	944	\$	(150)	(15.9%)	\$	7,756	\$	9,296	\$	(1,541)	(16.6%)	\$	8,883	\$	(1,127)	(12.7%)	10.4%	10.4%	—	0.0%	7.9%	250	31.6%	11.0%	10.1%	91	9.0%	7.9%	307	38.8%
QUAKER WINDOW PRODUCTS		690		524		166	31.6%		479		211	44.1%		4,755		5,082		(327)	(6.4%)		4,374		381	8.7%	11.0%	11.0%	—	0.0%	8.5%	250	29.3%	11.4%	10.8%	59	5.5%	8.5%	284	33.3%
ALL WEATHER WIN. LTD-EDMO		248		498		(250)	(50.2%)		282		(34)	(12.0%)		2,477		4,792		(2,315)	(48.3%)		1,631		846	51.8%	19.7%	19.7%	—	0.0%	17.2%	250	14.6%	27.7%	19.4%	837	43.2%	17.2%	1,059	61.7%
VINYL BILT WINDOWS & DOORS CO		232		398		(167)	(41.8%)		496		(265)	(53.3%)		1,784		3,128		(1,344)	(43.0%)		4,227		(2,443)	(57.8%)	(18.0%)	(18.0%)	(0)	0.0%	(20.5%)	250	(12.2%)	(18.9%)	(14.9%)	(400)	26.9%	(20.5%)	159	(7.8%)
VINYL PRO WINDOW SYSTEMS		377		316		61	19.4%		428		(51)	(11.9%)		2,925		3,146		(221)	(7.0%)		3,311		(386)	(11.7%)	8.2%	8.2%	—	0.0%	5.7%	250	44.0%	6.0%	5.8%	20	3.5%	5.7%	33	5.9%
WINDSOR WINDOW CO		348		382		(34)	(8.9%)		248		99	40.0%		3,241		3,052		189	6.2%		2,968		273	9.2%	25.5%	23.5%	198	8.4%	23.0%	250	10.9%	20.3%	21.1%	(75)	(3.6%)	20.4%	(10)	(0.5%)
DASHWOOD INDUSTRIES LTD.		306		326		(21)	(6.4%)		320		(14)	(4.5%)		1,917		2,332		(414)	(17.8%)		2,418		(501)	(20.7%)	17.8%	17.8%	—	0.0%	15.3%	250	16.3%	17.0%	15.6%	147	9.5%	15.3%	171	11.2%
OSTACO 2000 WINDOORS INC		146		256		(110)	(42.9%)		142		4	2.9%		1,129		1,631		(502)	(30.8%)		1,481		(352)	(23.8%)	13.8%	13.8%	—	0.0%	11.3%	250	22.0%	16.2%	13.7%	251	18.3%	11.3%	486	42.9%
ALLSCO BLDG SUPPLIES LTD		131		132		(1)	(0.7%)		169		(38)	(22.3%)		1,257		1,354		(97)	(7.2%)		1,430		(173)	(12.1%)	(18.0%)	(18.0%)	—	0.0%	3.9%	(2,195)	(555.9%)	(14.6%)	(14.2%)	(42)	2.9%	3.9%	(1,853)	(469.3%)
TERREBONNE		153		78		74	94.6%		85		68	79.9%		1,571		1,080		490	45.4%		1,371		200	14.6%	(6.3%)	(6.3%)	—	0.0%	(8.8%)	250	(28.5%)	(4.6%)	(5.1%)	52	(10.2%)	(8.8%)	419	(47.7%)
PGT INDUSTRIES		96		106		(10)	(9.2%)		127		(31)	(24.5%)		1,049		938		111	11.9%		793		256	32.3%	0.0%	0.0%	—	N/A	6.3%	(626)	(100.0%)	0.0%	0.0%	—	N/A	6.3%	(626)	(100.0%)
VENTANA WINDOWS & DOORS INC		—		82		(82)	(100.0%)		88		(88)	(100.0%)		59		724		(665)	(91.9%)		686		(627)	(91.4%)	#DIV/0!	15.9%	—	#VALUE!	13.4%	NA	#VALUE!	85.5%	15.1%	7,040	465.5%	13.4%	7,212	538.0%
CLERA		37		45		(7)	(15.9%)		78		(40)	(51.9%)		499		716		(217)	(30.3%)		878		(379)	(43.2%)	18.9%	18.9%	(0)	(0.0%)	16.4%	250	15.3%	25.6%	20.7%	493	23.8%	16.4%	924	56.5%
SEYMOUR WINDOWS LTD.		26		78		(52)	(66.7%)		79		(53)	(67.2%)		543		681		(138)	(20.2%)		711		(168)	(23.6%)	19.6%	19.6%	0	0.0%	17.1%	250	14.6%	13.9%	13.6%	32	2.3%	17.1%	(321)	(18.8%)
WARDCO WINDOW & DOOR MFG INC		100		66		35	52.9%		108		(7)	(6.8%)		593		609		(16)	(2.6%)		716		(123)	(17.1%)	34.7%	34.7%	—	0.0%	32.2%	250	7.8%	33.3%	31.8%	145	4.5%	32.2%	107	3.3%
CENTENNIAL WINDOWS LTD		53		75		(22)	(29.3%)		104		(51)	(48.9%)		407		541		(134)	(24.7%)		605		(198)	(32.7%)	39.6%	39.6%	—	0.0%	37.1%	250	6.7%	59.4%	50.2%	925	18.4%	37.1%	2,238	60.4%
MASON WINDOWS		29		60		(31)	(52.3%)		46		(17)	(37.8%)		297		396		(99)	(25.0%)		387		(91)	(23.4%)	8.0%	8.0%	—	0.0%	8.0%	-	0.0%	9.1%	8.1%	99	12.2%	8.0%	108	13.5%
GREAT LAKES WINDOW INC.		19		22		(3)	(12.0%)		30		(11)	(35.6%)		195		378		(183)	(48.4%)		282		(87)	(30.8%)	8.0%	8.0%	—	0.0%	8.0%	-	0.0%	14.1%	9.1%	499	54.8%	8.0%	611	76.4%
ORAN LTD.		—		—		-	N/A		—		-	N/A		367		357		11	3.1%		374		(6)	(1.6%)	#DIV/0!	#DIV/0!	—	#DIV/0!	#DIV/0!	NA	#DIV/0!	10.8%	11.0%	(21)	(1.9%)	6.8%	403	59.5%
INTEGRAL WINDOW SYSTEMS		57		31		26	83.6%		27		30	110.8%		335		249		85	34.2%		276		58	21.2%	8.0%	8.0%	—	0.0%	8.0%	-	0.0%	8.0%	8.0%	0	0.0%	8.0%	-	0.0%
Other		563		399		164	41.0%		387		176	45.3%		3,980		3,667		313	8.5%		7,330		(3,350)	(45.7%)	(8.3%)	31.5%	(3,976)	(126.4%)	31.2%	(3,951)	(126.6%)	(20.1%)	(32.9%)	1,273	(38.8%)	(12.4%)	(770)	62.0%
Total Gross	\$	4,406	\$	4,829	\$	(423)	(8.8%)	\$	4,668	\$	(262)	(5.6%)	\$	37,136	\$	44,149	\$	(7,013)	(15.9%)	\$	45,133	\$	(7,997)	(17.7%)	8.1%	12.2%	(408)	(33.5%)	9.8%	(169)	(17.2%)	12.0%	6.4%	557	86.4%	3.9%	815	210.7%

Management Discussion

- All Weather – Overestimated launch of new slider system and casement system
- Vinylbilt – losing market share to competitors
- Ventana – Business closed down due to bankruptcy filing
- Royal Vinylbilt – Softer 2019 in line with market
- Ostaco and Seymour – Softer market conditions affecting sales
- Offset by pickup in sales to Ostaco and Vinyl Pro

Key Performance Indicators - Woodbridge

ENERGI Woodbridge KPI Report	2019 Targets	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	YTD 2019
Health & Safety												
Recordable Incidents	0	0	0	0	0	1	0	0	0	0	0	1
TRIR (Total Recordable Incident Rate)	<1	0.46	0.47	0.48	0.49	1	1.02	0.51	0.52	0.52	0.52	0.52
Quality Performance												
Customer Complaints - per MLBS	3.2	2.6	2.3	3.0	3.1	4.9	3.4	1.8	2.33	3.0	2.7	2.9
Return as % of sales	0.30%	1.49%	0.53%	0.25%	0.01%	0.11%	0.37%	0.25%	0.75%	0.29%	0.26%	0.41%
Delivery Performance												
% on time in full	95.00%	99.56%	98.80%	99.40%	98.11%	99.03%	95.32%	97.34%	97.20%	96.44%	98.20%	97.94%
% by line items	99.00%	99.56%	98.80%	99.40%	98.11%	99.03%	95.32%	97.34%	97.19%	96.44%	98.20%	97.94%
Costs												
Yield	85.7%	84.70%	85.49%	85.23%	84.50%	85.02%	85.93%	86.22%	85.01%	85.21%	85.46%	85.32%
Alt/Regrind Compound Consumption Ratio	19.9%	17.39%	20.13%	19.99%	18.38%	18.39%	18.70%	16.73%	16.92%	21.09%	20.23%	18.69%
Direct Labour \$/lb produced	\$0.167	\$ 0.173	\$ 0.175	\$ 0.161	\$ 0.202	\$ 0.183	\$ 0.167	\$ 0.177	\$ 0.182	\$ 0.194	\$ 0.190	\$ 0.179
Indirect Labour (incl D&D) \$/lb produced	\$0.176	\$ 0.212	\$ 0.229	\$ 0.192	\$ 0.271	\$ 0.234	\$ 0.181	\$ 0.198	\$ 0.208	\$ 0.240	\$ 0.238	\$ 0.217
Inventory												
Days - TTM (Trailing 12 Months)	54.1	57	59	62	64	64	65	66	67	68	69	68

Comments

Delivery: Excellent external quality result with less accompanying internal QC rejection scrap than previous months

Costs: Yield: Greatly improved yield and output per labour lb in second half of month

DL: Temp covering full time employees. Trouble maintaining line count with high inventory and shorter runs in first part of month. Downtime due to some issues with dies.

Selling out of inventory by 450,000 for the month has resulted in longer run possibilities that will continue into November. Costs from overtime strategy for early starts on

Mondays to get to line count of 40 after reduced weekend schedule

Ind. DL: Two employees for much of the month doing scrap cutdowns to grind material from past year(s) obsolescence

Inventory: Sales lower vs budget.

Full Year Woodbridge P&L Summary

\$'000	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Act	\$	%	
Units Produced ('000)	32,366	37,280	(4,914)	(13.2%)	37,118	(4,752)	(12.8%)	
Units Shipped ('000)	31,608	34,740	(3,132)	(9.0%)	36,738	(5,130)	(14.0%)	
Bookings (\$'000)	\$ 40,582	\$ 46,841	\$ (6,259)	(13.4%)	\$ 50,018	\$ (9,436)	(18.9%)	
Backlog ('\$000)	\$ 2,119	\$ 2,119	\$ –	0.0%	\$ 3,634	\$ (1,515)	(41.7%)	
Gross Revenue	\$ 44,733	\$ 51,746	\$ (7,013)	(13.6%)	\$ 52,687	\$ (7,954)	(15.1%)	
Adj. to Gross Revenue	(2,602)	(3,183)	581	(18.3%)	(2,920)	318	(10.9%)	
Net Revenue	42,131	48,563	(6,432)	(13.2%)	49,767	(7,636)	(15.3%)	
Material	27,127	30,569	(3,442)	(11.3%)	32,620	(5,494)	(16.8%)	
Labor	9,643	9,960	(317)	(3.2%)	10,973	(1,330)	(12.1%)	
Other COGS	2,068	1,948	120	6.2%	1,960	108	5.5%	
Total COGS	38,837	42,476	(3,639)	(8.6%)	45,553	(6,716)	(14.7%)	
Gross Margin	3,294	6,087	(2,793)	(45.9%)	4,214	(920)	(21.8%)	
Gross Margin %	7.8%	12.5%			8.5%			
R&D	–	–	–	N/A	–	–	N/A	
Sales & Marketing	236	309	(73)	(23.6%)	291	(54)	(18.7%)	
Administrative	3,856	3,954	(99)	(2.5%)	4,006	(151)	(3.8%)	
Other Opex	(138)	(228)	90	(39.6%)	(165)	27	(16.3%)	
Total Opex	3,954	4,036	(81)	(2.0%)	4,133	(178)	(4.3%)	
EBITDA	(661)	2,051	(2,712)	(132.2%)	81	(742)	(912.1%)	
EBITDA %	(1.6%)	4.2%			0.2%			
Net Income (Loss)	\$ (3,468)	\$ (738)	\$ (2,730)	370.1%	\$ (2,405)	\$ (1,063)	44.2%	
Capex	\$ (1,644)	\$ (1,365)	\$ (278)	20.4%	\$ (3,745)	\$ 2,101	(56.1%)	
Opex Overview:								
Payroll	\$ 664	\$ 729	\$ (65)	(8.8%)	\$ 759	\$ (95)	(12.5%)	
Bonus	–	–	–	N/A	–	–	N/A	
Commissions	–	–	–	N/A	–	–	N/A	
Marketing	82	119	(37)	(31.4%)	115	(33)	(28.6%)	
Benefits	–	–	–	N/A	–	–	N/A	
Travel and entertainment	6	7	(2)	(21.0%)	10	(5)	(44.3%)	
Rent and facilities	–	–	–	N/A	–	–	N/A	
Insurance	42	49	(8)	(15.7%)	47	(6)	(12.0%)	
Professional fees	40	31	9	29.2%	36	4	10.6%	
Utilities, repair, maintenance, and security	34	27	8	28.7%	26	8	32.1%	
Corporate OH Fees	3,224	3,281	(57)	(1.7%)	3,299	(75)	(2.3%)	
Bad Debts	(3)	(5)	1	(29.1%)	(13)	9	(74.3%)	
FX	36	–	36	N/A	(82)	118	(143.9%)	
JV Loss (Income)	(174)	(228)	54	(23.8%)	(83)	(91)	110.0%	
Other Expenses	4	25	(21)	(84.0%)	21	(17)	(80.8%)	
Total Opex	\$ 3,954	\$ 4,036	\$ (81)	(2.0%)	\$ 4,136	\$ (181)	(4.4%)	

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 VINYL BILT LIMITED	\$	9,516	\$	11,057	\$	(1,541)	(13.9%)	\$	10,577	\$	(1,062)	(10.0%)	10.9%	10.1%	82	8.1%	7.9%	301	38.0%
QUAKER WINDOW PRODUCTS		5,700		6,028		(327)	(5.4%)		5,345		355	6.6%	11.3%	10.8%	54	5.0%	8.5%	281	32.9%
ALL WEATHER WIN. LTD-EDMO		3,000		5,314		(2,315)	(43.6%)		2,047		952	46.5%	26.9%	19.4%	754	38.9%	17.2%	978	57.0%
VINYL BILT WINDOWS & DOORS CC		2,435		3,779		(1,344)	(35.6%)		4,689		(2,254)	(48.1%)	(18.7%)	(15.2%)	(354)	23.3%	(20.5%)	174	(8.5%)
VINYL PRO WINDOW SYSTEMS		3,366		3,587		(221)	(6.2%)		3,893		(527)	(13.5%)	6.2%	6.0%	20	3.4%	5.7%	49	8.7%
WINDSOR WINDOW CO		3,899		3,710		189	5.1%		3,491		408	11.7%	20.6%	21.3%	(69)	(3.2%)	19.0%	163	8.6%
DASHWOOD INDUSTRIES LTD.		2,477		2,891		(414)	(14.3%)		2,976		(500)	(16.8%)	17.2%	15.8%	132	8.3%	15.3%	182	11.9%
OSTACO 2000 WINDOORS INC		1,409		1,911		(502)	(26.3%)		1,810		(401)	(22.2%)	15.9%	13.7%	222	16.2%	11.3%	459	40.4%
ALLSCO BLDG SUPPLIES LTD		1,483		1,580		(97)	(6.1%)		1,520		(37)	(2.5%)	(14.9%)	(14.5%)	(40)	2.8%	3.9%	(1,882)	(476.8%)
TERREBONNE		1,688		1,197		490	40.9%		1,510		178	11.8%	(4.7%)	(5.2%)	52	(10.0%)	(8.8%)	412	(46.9%)
PGT INDUSTRIES		1,226		1,115		111	10.0%		954		272	28.5%	0.0%	0.0%	—	N/A	6.3%	(626)	(100.0%)
VENTANA WINDOWS & DOORS IN		196		861		(665)	(77.3%)		754		(558)	(74.1%)	48.2%	15.2%	3,299	217.1%	13.4%	3,478	259.4%
CLERA		604		821		(217)	(26.4%)		969		(365)	(37.6%)	24.9%	20.5%	439	21.4%	16.4%	857	52.4%
SEYMOUR WINDOWS LTD.		653		791		(138)	(17.4%)		822		(169)	(20.6%)	14.4%	14.0%	38	2.7%	17.1%	(267)	(15.6%)
WARDCO WINDOW & DOOR MFG		717		733		(16)	(2.2%)		874		(157)	(18.0%)	33.4%	32.1%	131	4.1%	32.2%	122	3.8%
CENTENNIAL WINDOWS LTD		499		633		(134)	(21.2%)		717		(219)	(30.5%)	57.3%	49.3%	800	16.2%	37.1%	2,025	54.6%
MASON WINDOWS		363		462		(99)	(21.5%)		449		(87)	(19.3%)	9.0%	8.1%	88	10.9%	8.0%	97	12.1%
GREAT LAKES WINDOW INC.		217		400		(183)	(45.8%)		364		(147)	(40.4%)	13.8%	9.1%	469	51.6%	8.0%	578	72.2%
ORAN LTD.		367		357		11	3.1%		517		(150)	(28.9%)	10.8%	11.0%	(21)	(1.9%)	8.0%	281	35.2%
INTEGRAL WINDOW SYSTEMS		393		308		85	27.7%		315		78	24.9%	8.0%	8.0%	0	0.0%	8.0%	-	0.0%
Other		4,525		4,212		313	7.4%		8,091		(3,566)	(44.1%)	(18.7%)	(30.4%)	1,172	(38.5%)	10.5%	(2,924)	(277.2%)
Total Gross	\$	44,733	\$	51,746	\$	(7,013)	(13.6%)	\$	52,687	\$	(7,954)	(15.1%)	11.8%	6.7%	510	76.3%	8.0%	378	47.3%

Laval Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	1,922	1,668	254	15.2%	16,460	16,686	(226)	(1.4%)
Units Shipped ('000)	2,114	1,963	151	7.7%	16,192	16,645	(453)	(2.7%)
Bookings (\$'000)	\$ 3,527	\$ 3,077	\$ 450	14.6%	\$ 28,404	\$ 28,692	\$ (288)	(1.0%)
Backlog (\$'000)	\$ 3,522	\$ 3,261	\$ 261	8.0%	\$ 3,522	\$ 3,261	\$ 261	8.0%
Gross Revenue	\$ 3,791	\$ 3,605	\$ 186	5.2%	\$ 29,526	\$ 31,062	\$ (1,536)	(4.9%)
Adj. to Gross Revenue	(412)	(303)	(109)	35.9%	(2,480)	(2,445)	(34)	1.4%
Net Revenue	3,379	3,302	77	2.3%	27,047	28,617	(1,570)	(5.5%)
Material	1,600	1,542	57	3.7%	12,512	13,243	(730)	(5.5%)
Labor	559	535	24	4.4%	4,942	5,289	(347)	(6.6%)
Other COGS	312	318	(6)	(1.8%)	1,746	1,758	(11)	(0.6%)
Total COGS	2,470	2,395	75	3.1%	19,201	20,290	(1,088)	(5.4%)
Gross Margin	909	906	2	0.2%	7,845	8,327	(482)	(5.8%)
Gross Margin %	26.9%	27.5%			29.0%	29.1%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	159	151	8	5.0%	1,427	1,552	(125)	(8.1%)
Administrative	252	251	1	0.2%	2,468	2,523	(55)	(2.2%)
Other Opex	2	—	2	N/A	(8)	—	(8)	N/A
Total Opex	412	403	10	2.4%	3,886	4,075	(189)	(4.6%)
EBITDA	496	504	(8)	(1.5%)	3,959	4,252	(293)	(6.9%)
EBITDA %	14.7%	15.3%			14.6%	14.9%		
Net Income (Loss)	\$ 385	\$ 370	\$ 15	4.1%	\$ 2,865	\$ 3,014	\$ (149)	(4.9%)
Capex	\$ (53)	\$ (58)	\$ 4	(7.0%)	\$ (854)	\$ (1,165)	\$ 311	(26.7%)
Opex Overview:								
Payroll	\$ 113	\$ 118	\$ (5)	(4.3%)	\$ 1,053	\$ 1,146	\$ (92)	(8.1%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	89	62	27	44.1%	604	676	(72)	(10.7%)
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	4	2	1	56.6%	36	26	10	39.4%
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	4	5	(0)	(7.9%)	45	47	(2)	(4.3%)
Professional fees	7	7	1	10.6%	70	65	5	7.2%
Utilities, repair, maintenance, and	4	3	1	45.4%	52	53	(0)	(0.4%)
Corporate OH Fees	179	182	(3)	(1.5%)	1,768	1,815	(48)	(2.6%)
Bad Debts	—	—	—	N/A	—	—	—	N/A
FX	2	—	2	N/A	(8)	—	(8)	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	10	25	(14)	(57.8%)	267	247	19	7.7%
Total Opex	\$ 412	\$ 403	\$ 10	2.4%	\$ 3,886	\$ 4,075	\$ (189)	(4.6%)

Management Discussion

Net Revenue – Oct-19: +\$77K:

- Sales volume up 7.7% or \$254k due to increased demand from Schluter, Isothermic, Golden, Laflamme, Solaris, Atlantic & Terrebonne; offset by decreased demand from ATIS, Gentek & Doco.
- Unfavorable rebates and discounts \$77k driven by YTD rebate adjustments for Schluter, Atlantic & Solaris (achieved the next level in the volume rebate)
- Unfavorable mix impact of \$54k primarily driven by customer mix
- Unfavorable F/X of \$46k (actual rate of 1.3190 [or \$USD 0.7582] vs. 1.30 [or \$USD 0.7692])

EBITDA – Oct-19: (\$8K):

- Material COGS:** Increase in costs by \$57k driven by increased volume \$119k; offset by improved yields \$32k (88.7% vs 84%) product mix \$20k (increased sales on products purchased for resale) & decrease in inventory reserves \$9k;
- Labor COGS:** Increase in costs by \$24k driven by increase in production volumes +15.2% or \$38k; offset by WSIB claim refund of \$14k.
- Other COGS:** Decrease in cost by \$6k driven by favorable net absorption of \$42k (increased production volumes); offset by increased freight \$16k and increased T&D costs (EDM wire and repairs) \$17k
- Sales and Marketing:** Increase in cost by \$8k driven by higher advertising (timing) \$27k; offset by lower wages \$5k (vacations taken) and decreased product development costs \$14k
- Administrative:** In line with budget.
- Other Opex:** In line with budget.

Key Customers – Gross Sales and Gross Margin %: Laval

	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	BPs	%	Act	BPs	%	Act	Bud	BPs	%	Act	BPs	%
Customer:																												
SOLARIS QUEBEC P & F INC.	\$ 464	\$ 444	\$ 20	4.4%	\$ 486	\$ (22)	(4.6%)	\$ 3,722	\$ 3,517	\$ 205	5.8%	\$ 3,666	\$ 56	1.5%	23.4%	25.5%	(203)	(8.0%)	23.3%	17	0.7%	24.1%	23.7%	40	1.7%	22.9%	111	4.8%
ATLANTIC WINDOWS	392	358	34	9.4%	336	56	16.6%	2,885	3,077	(192)	(6.2%)	2,963	(78)	(2.6%)	14.0%	12.6%	139	11.1%	13.4%	57	4.2%	14.6%	12.3%	227	18.4%	12.6%	203	16.2%
SCHLUTER SYSTEMS L.P.	264	216	48	22.0%	215	49	22.6%	2,038	2,195	(157)	(7.2%)	2,186	(148)	(6.8%)	4.5%	19.4%	(1,497)	(77.0%)	19.5%	(1,506)	(77.1%)	23.0%	21.4%	161	7.5%	21.2%	181	8.6%
LAFLAMME PORTES	277	247	30	12.2%	294	(17)	(5.7%)	1,718	2,150	(432)	(20.1%)	2,164	(446)	(20.6%)	(12.5%)	(19.4%)	694	(35.7%)	(12.6%)	9	(0.7%)	(13.2%)	(19.4%)	621	(31.9%)	(13.4%)	18	(1.3%)
PTES & FEN ISOTHERMIC INC	243	194	49	25.3%	261	(18)	(6.8%)	1,737	1,671	66	4.0%	1,800	(63)	(3.5%)	21.4%	28.9%	(745)	(25.8%)	26.1%	(464)	(17.8%)	21.9%	29.0%	(713)	(24.5%)	26.6%	(469)	(17.6%)
PORTES & FENETRES ABRITEK	195	220	(25)	(11.4%)	159	36	22.6%	1,370	1,564	(194)	(12.4%)	1,504	(134)	(8.9%)	29.3%	31.8%	(252)	(7.9%)	32.1%	(277)	(8.6%)	30.5%	32.0%	(150)	(4.7%)	31.1%	(66)	(2.1%)
ATIS PORTES & FENETRES	165	205	(40)	(19.5%)	224	(59)	(26.4%)	1,458	1,314	144	11.0%	1,431	27	1.9%	(18.2%)	(25.4%)	714	(28.2%)	(17.0%)	(126)	7.4%	(16.7%)	(25.7%)	897	(34.9%)	(15.2%)	(154)	10.1%
EXTREME ENTRANCE SYSTEMS	160	160	(0)	(0.2%)	175	(15)	(8.8%)	1,258	1,464	(206)	(14.1%)	1,452	(194)	(13.3%)	13.5%	25.0%	(1,153)	(46.1%)	16.6%	(310)	(18.7%)	15.4%	24.8%	(935)	(37.7%)	16.8%	(139)	(8.3%)
FENERGIC INC	145	156	(11)	(7.1%)	155	(10)	(6.5%)	877	956	(79)	(8.3%)	1,075	(198)	(18.4%)	15.9%	25.0%	(905)	(36.2%)	13.5%	240	17.7%	15.8%	25.1%	(928)	(36.9%)	15.1%	75	5.0%
LES FENETRES CONCEPT.	123	145	(22)	(15.2%)	163	(40)	(24.5%)	1,051	1,114	(63)	(5.7%)	1,015	36	3.5%	16.0%	15.9%	9	0.6%	19.0%	(306)	(16.1%)	15.6%	16.3%	(66)	(4.1%)	17.9%	(233)	(13.0%)
P & C EDDY BOULET INC	105	117	(12)	(10.4%)	58	47	80.8%	820	769	51	6.6%	699	121	17.3%	24.1%	6.0%	1,817	303.6%	27.6%	(344)	(12.5%)	23.1%	6.1%	1,697	277.2%	20.4%	264	12.9%
PRODUITS DALMEN PRODUCTS	76	70	6	8.7%	55	21	38.4%	435	769	(334)	(43.4%)	619	(184)	(29.7%)	16.2%	15.7%	50	3.2%	12.7%	348	27.4%	17.7%	16.0%	168	10.5%	14.1%	357	25.3%
KENTO WINDOWS & DOORS	57	53	4	7.1%	60	(3)	(5.4%)	576	618	(42)	(6.7%)	623	(47)	(7.5%)	35.4%	30.2%	517	17.1%	28.3%	703	24.8%	32.6%	30.6%	199	6.5%	31.3%	130	4.2%
GENTEK BUILDING PROD. LTD	27	44	(17)	(38.6%)	43	(16)	(37.2%)	182	593	(411)	(69.3%)	476	(294)	(61.7%)	9.0%	11.4%	(237)	(20.9%)	2.3%	667	286.7%	6.4%	12.0%	(560)	(46.7%)	14.4%	(802)	(55.6%)
GOLDEN WINDOWS	77	29	48	164.1%	30	47	155.3%	539	303	236	78.0%	435	104	24.0%	0.6%	(3.4%)	403	(116.9%)	13.3%	(1,275)	(95.6%)	(1.7%)	(2.9%)	126	(42.8%)	5.5%	(716)	(130.8%)
ENTREPRISES DOCO INC.	41	59	(18)	(30.9%)	47	(6)	(13.2%)	355	493	(138)	(27.9%)	425	(70)	(16.4%)	22.4%	22.0%	36	1.6%	(2.1%)	2,452	(1152.3%)	22.7%	21.9%	80	3.7%	(3.9%)	2,656	(688.0%)
FUTURA MANUFACTURIER	67	69	(2)	(2.8%)	53	14	26.5%	358	394	(36)	(9.0%)	410	(52)	(12.6%)	9.6%	20.3%	(1,068)	(52.6%)	17.0%	(737)	(43.4%)	7.0%	20.9%	(1,382)	(66.2%)	22.0%	(1,499)	(68.0%)
G.R. THÉRIAULT	49	58	(9)	(15.0%)	36	13	36.9%	339	399	(60)	(15.0%)	341	(2)	(0.5%)	24.8%	34.5%	(972)	(28.2%)	13.9%	1,088	78.3%	23.7%	34.1%	(1,037)	(30.5%)	10.7%	1,300	121.7%
PORTES ET FENETRES LGC	67	46	21	46.2%	59	8	13.9%	420	346	74	21.4%	401	19	4.8%	40.9%	54.3%	(1,349)	(24.8%)	15.3%	2,560	167.8%	39.9%	55.0%	(1,507)	(27.4%)	20.1%	1,983	98.9%
LAS ENTERPRISES	25	21	4	16.9%	22	3	11.6%	309	338	(29)	(8.6%)	348	(39)	(11.2%)	47.0%	52.4%	(535)	(10.2%)	109.1%	(6,206)	(56.9%)	49.4%	51.1%	(173)	(3.4%)	40.7%	876	21.5%
Other	774	694	80	11.5%	808	(34)	(4.2%)	7,077	7,018	59	0.8%	8,147	(1,070)	(13.1%)	64.2%	65.9%	(167)	(2.5%)	1.4%	6,288	4617.4%	60.6%	64.3%	(376)	(5.8%)	25.0%	3,558	142.4%
Total Gross	\$ 3,791	\$ 3,605	\$ 186	5.2%	\$ 3,739	\$ 52	1.4%	\$ 29,526	\$ 31,062	\$ (1,536)	(4.9%)	\$ 32,180	\$ (2,654)	(8.2%)	24.0%	25.1%	(118)	(4.7%)	22.3%	162	7.2%	26.8%	26.9%	(16)	(0.6%)	23.9%	283	11.8%

Management Discussion

- Strong performance despite soft market conditions including Golden, Solaris, Atlantic, Schluter and Laflamme due to new launches, winter bookings and some catch-up of prior lower sales.
- Abritek – Pick up from prior months but still lower, more PD sales (Terrebonne) vs profiles.
- Atis - Tlming

Key Performance Indicators - Laval

ENERGI Laval Extrusion KPI Report	2019 Targets	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	YTD 2019
Health & Safety												
<i>Recordable Incidents</i>	0	1	1	0	0	0	1	0	0	0	0	3
<i>TRIR (Total Recordable Incident Rate)</i>	<1	4.95	4.95	4.12	4.3	4.31	4.31	4.15	4.10	3.3	3.29	3.3
Quality Performance												
<i>Customer Complaints - per MLBS</i>	22.5	16.0	23.0	33.0	36.0	44.0	23.5	13.5	18.34	24.9	23.4	25.6
<i>Return as % of sales</i>	0.78%	0.24%	0.38%	0.54%	0.68%	0.31%	0.77%	0.40%	0.25%	0.15%	0.73%	0.45%
Delivery Performance												
<i>% on time in full</i>	95.00%	99.73%	99.75%	99.58%	99.82%	99.81%	99.74%	99.70%	99.59%	99.67%	99.80%	99.72%
<i>% by line items</i>	99.00%	99.73%	99.75%	99.58%	99.82%	99.81%	99.74%	99.70%	99.59%	99.67%	99.80%	99.72%
Costs												
<i>Yield</i>	84.00%	85.48%	85.19%	86.89%	87.96%	87.33%	87.28%	86.16%	87.53%	88.59%	88.70%	87.22%
<i>Alt/Regrind Compound Consumption Ratio</i>	20.89%	20.18%	19.41%	18.40%	16.35%	19.89%	20.16%	19.03%	18.85%	14.20%	17.97%	18.38%
<i>Direct Labour \$/lb produced</i>	\$0.192	\$ 0.195	\$0.184	\$ 0.186	\$ 0.115	\$ 0.191	\$ 0.194	\$ 0.217	\$ 0.194	\$ 0.193	\$ 0.183	\$ 0.184
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.237	\$ 0.267	\$0.219	\$ 0.208	\$ 0.216	\$ 0.223	\$ 0.196	\$ 0.255	\$ 0.192	\$ 0.198	\$ 0.200	\$ 0.215
Inventory												
<i>Days - TTM (Trailing 12 Months)</i>	69.3	67	66.4	68	69	68	70	70	70	70	71	70

Comments:

Quality: 18 complaints Solaris (\$5k in value) and 12 by Nordist Windows (\$14k in value)

Costs: Alt/Regrind Cons Ratio: Not enough scrap generated and alternative materials bought are not in sufficient quantities

Inventory: Sales lower vs budget

Full Year Laval P&L Summary

\$'000	FY		Var		PY	Var	
	Fcst	Bud	\$	%	Fcst	\$	%
Units Produced ('000)	18,812	19,038	(226)	(1.2%)	19,947	(1,135)	(5.7%)
Units Shipped ('000)	18,662	19,115	(453)	(2.4%)	19,803	(1,141)	(5.8%)
Bookings (\$'000)	\$ 32,481	\$ 32,769	\$ (288)	(0.9%)	\$ 36,193	\$ (3,712)	(10.3%)
Backlog ('\$000)	\$ 1,897	\$ 1,897	\$ –	0.0%	\$ 2,942	\$ (1,045)	(35.5%)
Gross Revenue	\$ 34,148	\$ 35,684	\$ (1,536)	(4.3%)	\$ 37,211	\$ (3,063)	(8.2%)
Adj. to Gross Revenue	(2,858)	(2,824)	(34)	1.2%	(3,256)	398	(12.2%)
Net Revenue	31,291	32,861	(1,570)	(4.8%)	33,956	(2,665)	(7.8%)
Material	14,480	15,210	(730)	(4.8%)	16,229	(1,749)	(10.8%)
Labor	5,902	6,249	(347)	(5.6%)	6,587	(685)	(10.4%)
Other COGS	2,063	2,074	(11)	(0.5%)	2,233	(170)	(7.6%)
Total COGS	22,445	23,533	(1,088)	(4.6%)	25,049	(2,604)	(10.4%)
Gross Margin	8,846	9,328	(482)	(5.2%)	8,907	(61)	(0.7%)
Gross Margin %	28.3%	28.4%			26.2%		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	1,728	1,853	(125)	(6.8%)	2,003	(275)	(13.7%)
Administrative	2,975	3,030	(55)	(1.8%)	3,071	(96)	(3.1%)
Other Opex	(8)	–	(8)	N/A	17	(25)	(150.9%)
Total Opex	4,694	4,883	(189)	(3.9%)	5,090	(396)	(7.8%)
EBITDA	4,152	4,445	(293)	(6.6%)	3,816	335	8.8%
EBITDA %	13.3%	13.5%			11.2%		
Net Income (Loss)	\$ 2,787	\$ 2,936	\$ (149)	(5.1%)	\$ 2,573	\$ 214	8.3%
Capex	\$ (854)	\$ (1,235)	\$ 381	(30.9%)	\$ (1,614)	\$ 760	(47.1%)
Opex Overview:							
Payroll	\$ 1,285	\$ 1,377	\$ (92)	(6.7%)	\$ 1,449	\$ (163)	(11.3%)
Bonus	–	–	–	N/A	–	–	N/A
Commissions	–	–	–	N/A	–	–	N/A
Marketing	727	799	(72)	(9.0%)	819	(92)	(11.2%)
Benefits	–	–	–	N/A	–	–	N/A
Travel and entertainment	41	31	10	32.7%	44	(3)	(6.4%)
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	55	57	(2)	(3.6%)	51	4	7.8%
Professional fees	83	78	5	6.0%	95	(12)	(12.7%)
Utilities, repair, maintenance, and security	64	64	(0)	(0.3%)	71	(7)	(9.3%)
Corporate OH Fees	2,131	2,178	(48)	(2.2%)	2,180	(49)	(2.2%)
Bad Debts	–	–	–	N/A	3	(3)	(100.0%)
FX	(8)	–	(8)	N/A	17	(25)	(150.9%)
JV Loss (Income)	–	–	–	N/A	–	–	N/A
Other Expenses	316	297	19	6.4%	365	(49)	(13.5%)
Total Opex	\$ 4,694	\$ 4,883	\$ (189)	(3.9%)	\$ 5,093	\$ (399)	(7.8%)

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	%			
<u>Customer:</u>																			
SOLARIS QUEBEC P & F INC.	\$	4,280	\$	4,075	\$	205	5.0%	\$	4,262	\$	18	0.4%	24.1%	23.7%	37	1.6%	22.9%	116	5.1%
ATLANTIC WINDOWS		3,443		3,635		(192)	(5.3%)		3,475		(32)	(0.9%)	14.4%	12.3%	207	16.9%	12.7%	170	13.4%
SCHLUTER SYSTEMS L.P.		2,400		2,557		(157)	(6.1%)		2,796		(396)	(14.2%)	24.3%	22.8%	157	6.9%	21.4%	292	13.6%
LAFLAMME PORTES		2,046		2,478		(432)	(17.4%)		2,426		(380)	(15.7%)	(13.8%)	(19.4%)	562	(28.9%)	(13.3%)	(51)	3.8%
PTES & FEN ISOTHERMIC INC		2,065		1,999		66	3.3%		2,163		(98)	(4.5%)	22.6%	29.0%	(646)	(22.3%)	21.9%	65	3.0%
PORTES & FENETRES ABRITEK		1,631		1,824		(193)	(10.6%)		1,742		(111)	(6.4%)	30.6%	32.0%	(137)	(4.3%)	31.2%	(56)	(1.8%)
ATIS PORTES & FENETRES		1,697		1,552		145	9.3%		1,669		28	1.7%	(17.4%)	(25.7%)	826	(32.2%)	(15.4%)	(201)	13.0%
EXTREME ENTRANCE SYSTEMS		1,382		1,587		(205)	(12.9%)		1,619		(237)	(14.7%)	15.9%	24.8%	(887)	(35.8%)	16.9%	(103)	(6.1%)
FENERGIC INC		1,025		1,105		(80)	(7.2%)		1,260		(235)	(18.6%)	16.6%	25.1%	(852)	(33.9%)	14.8%	178	12.0%
LES FENETRES CONCEPT.		1,167		1,231		(64)	(5.2%)		1,131		36	3.2%	15.6%	16.3%	(63)	(3.9%)	17.9%	(230)	(12.8%)
P & C EDDY BOULET INC		1,022		971		51	5.3%		849		173	20.4%	21.1%	6.1%	1,502	246.2%	21.3%	(20)	(0.9%)
PRODUITS DALMEN PRODUCTS		538		873		(335)	(38.3%)		692		(154)	(22.2%)	17.5%	16.0%	148	9.2%	14.5%	306	21.2%
KENTO WINDOWS & DOORS		653		694		(41)	(6.0%)		674		(21)	(3.2%)	32.5%	30.6%	189	6.2%	31.2%	131	4.2%
GENTEK BUILDING PROD. LTD		236		646		(410)	(63.5%)		528		(292)	(55.3%)	7.2%	12.0%	(480)	(40.1%)	12.5%	(533)	(42.7%)
GOLDEN WINDOWS		586		350		236	67.5%		512		74	14.5%	(1.7%)	(3.0%)	130	(42.7%)	5.3%	(702)	(133.1%)
ENTREPRISES DOCO INC.		439		576		(137)	(23.8%)		503		(64)	(12.7%)	22.6%	21.9%	72	3.3%	(3.2%)	2,578	(810.6%)
FUTURA MANUFACTURIER		440		475		(35)	(7.4%)		453		(13)	(2.9%)	8.6%	20.9%	(1,231)	(59.0%)	23.2%	(1,461)	(63.0%)
G.R. THÉRIAULT		389		449		(60)	(13.3%)		433		(44)	(10.1%)	24.5%	34.2%	(972)	(28.4%)	9.7%	1,476	152.2%
PORTES ET FENETRES LGC		459		384		75	19.4%		435		24	5.4%	40.6%	55.0%	(1,437)	(26.1%)	22.8%	1,785	78.4%
LAS ENTERPRISES		391		420		(29)	(6.8%)		423		(32)	(7.5%)	49.7%	51.3%	(160)	(3.1%)	37.6%	1,210	32.2%
Other		7,860		7,803		56	0.7%		9,166		(1,307)	(14.3%)	59.6%	63.2%	(354)	(5.6%)	2.4%	5,724	2395.6%
Total Gross	\$	34,148	\$	35,684	\$	(1,536)	(4.3%)	\$	37,211	\$	(3,063)	(8.2%)	26.4%	26.5%	(17)	(0.6%)	23.9%	242	10.1%

Delmont Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	1,983	2,237	(254)	(11.4%)	18,157	20,879	(2,722)	(13.0%)
Units Shipped ('000)	2,013	2,203	(190)	(8.6%)	18,810	21,310	(2,500)	(11.7%)
Bookings (\$'000)	\$ 3,402	\$ 3,621	\$ (219)	(6.1%)	\$ 32,013	\$ 35,495	\$ (3,482)	(9.8%)
Backlog ('\$000)	\$ 1,541	\$ 1,812	\$ (271)	(15.0%)	\$ 1,541	\$ 1,812	\$ (271)	(15.0%)
Gross Revenue	\$ 3,623	\$ 3,781	\$ (157)	(4.2%)	\$ 33,725	\$ 36,982	\$ (3,258)	(8.8%)
Adj. to Gross Revenue	(134)	(110)	(24)	21.5%	(971)	(1,063)	92	(8.6%)
Net Revenue	3,490	3,671	(181)	(4.9%)	32,753	35,919	(3,166)	(8.8%)
Material	1,693	1,782	(89)	(5.0%)	16,134	17,514	(1,380)	(7.9%)
Labor	634	724	(90)	(12.4%)	6,352	7,007	(655)	(9.4%)
Other COGS	360	242	118	49.0%	3,001	2,879	122	4.2%
Total COGS	2,686	2,747	(61)	(2.2%)	25,487	27,401	(1,914)	(7.0%)
Gross Margin	804	924	(120)	(13.0%)	7,266	8,518	(1,252)	(14.7%)
Gross Margin %	23.0%	25.2%			22.2%	23.7%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	12	15	(4)	(23.1%)	118	151	(33)	(22.2%)
Administrative	228	227	1	0.3%	2,197	2,246	(49)	(2.2%)
Other Opex	—	—	—	N/A	—	—	—	N/A
Total Opex	239	242	(3)	(1.2%)	2,314	2,397	(83)	(3.5%)
EBITDA	564	682	(117)	(17.2%)	4,952	6,122	(1,170)	(19.1%)
EBITDA %	16.2%	18.6%			15.1%	17.0%		
Net Income (Loss)	\$ 401	\$ 523	\$ (122)	(23.3%)	\$ 3,372	\$ 4,628	\$ (1,256)	(27.1%)
Capex	\$ (72)	\$ (58)	\$ (14)	24.1%	\$ (799)	\$ (1,093)	\$ 294	(26.9%)
Opex Overview:								
Payroll	\$ 62	\$ 65	\$ (4)	(5.6%)	\$ 552	\$ 627	\$ (75)	(12.0%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	—	—	—	N/A	0	—	0	N/A
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	—	—	—	N/A	1	—	1	N/A
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	—	—	—	N/A	—	—	—	N/A
Professional fees	—	—	—	N/A	—	—	—	N/A
Utilities, repair, maintenance, and	5	4	1	23.0%	32	38	(6)	(15.6%)
Corporate OH Fees	165	165	(0)	(0.1%)	1,659	1,652	6	0.4%
Bad Debts	—	—	—	N/A	—	—	—	N/A
FX	—	—	—	N/A	—	—	—	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	8	8	(0)	(1.3%)	71	80	(9)	(11.3%)
Total Opex	\$ 239	\$ 242	\$ (3)	(1.2%)	\$ 2,314	\$ 2,397	\$ (83)	(3.5%)

Management Discussion

Net Revenue – Oct-19: (\$181K)

- Sales volume down 8.6% or \$316k driven by decreased demand from PGT (\$195k), Polaris (\$147k), and Comfortview (\$85k); offset by increased demand from Brunswick +\$56k, Sierra +\$123k and Yoders +\$41k
- Unfavorable Rebates/returns/accruals \$33k primarily driven by returns from PGT bowling (4850/4851), Polaris 9149 (die flow) and Atrium 2697 (glazing bead pocket)
- Favorable mix impact of \$168k or \$0.08/lb primarily driven by product mix – increased PGT Dark Cap and Qubicaamf bowling

EBITDA – Oct-19: (\$117K)

- Material COGS:** Decrease in costs by \$89k primarily driven by decreased sales volumes \$153k; improved yields \$21k (85.8% vs 84.6%) and decreased E&O/LCM inventory reserves \$15k; offset by FG write-offs \$59k (PGT Bowling, Polaris Die Flow & Atrium glazing bead), decreased alt material/regrind usage \$13k, RM usage dark cap \$13k, and Vytron price increase \$4k (3rd party).
- Labor COGS:** Decrease in cost by \$90K driven by lower headcount (9) due to reduced production volumes (11.4%).
- Other COGS:** Increase in cost by \$118k driven by higher net absorption of \$176k; offset by higher tooling recovery \$34k, utility costs \$15k and freight costs \$10k (lower sales volume).
- Sales and Marketing:** Decrease in costs by \$4k, primarily driven by 1 less headcount (CSR temp)
- 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	BPs	%	Act	BPs	%	Act	Bud	BPs	%	Act	Bud	BPs	%	Act	BPs	%
Customer:																																
PGT Industries Inc	\$ 1,902	\$ 2,073	\$ (171)	(8.2%)	\$ 1,888	\$ 14	0.7%	\$ 18,013	\$ 19,438	\$ (1,425)	(7.3%)	\$ 17,686	\$ 327	1.8%	22.1%	19.9%	221	11.1%	16.7%	545	32.6%	20.5%	19.7%	80	4.1%	14.9%	557	37.4%				
Polaris Technologies	389	510	(121)	(23.7%)	378	11	2.9%	4,341	4,982	(641)	(12.9%)	3,015	1,326	44.0%	12.7%	18.8%	(610)	(32.4%)	13.8%	(104)	(7.5%)	16.3%	18.0%	(166)	(9.2%)	16.3%	4	0.3%				
Comfort View Products	188	271	(83)	(30.6%)	226	(38)	(16.8%)	1,832	2,728	(896)	(32.8%)	2,533	(701)	(27.7%)	22.8%	17.7%	512	28.9%	12.8%	1,000	78.0%	19.7%	16.2%	346	21.3%	12.4%	733	59.2%				
Sierra Pacific Windows	332	220	112	50.9%	331	1	0.3%	2,420	2,215	205	9.3%	2,275	145	6.4%	9.9%	10.9%	(96)	(8.8%)	5.1%	481	93.7%	9.1%	10.0%	(93)	(9.3%)	6.0%	310	51.7%				
Atrium Windows & Doors	88	142	(54)	(38.0%)	237	(149)	(62.9%)	1,155	1,369	(214)	(15.6%)	1,407	(252)	(17.9%)	39.2%	50.0%	(1,084)	(21.7%)	37.1%	203	5.5%	38.4%	47.8%	(940)	(19.7%)	35.9%	255	7.1%				
Regency Plus, Inc.	188	205	(17)	(8.3%)	129	59	45.7%	1,620	1,788	(168)	(9.4%)	1,406	214	15.2%	24.4%	17.1%	728	42.7%	22.5%	188	8.4%	21.0%	18.1%	290	16.1%	14.1%	684	48.4%				
Brunswick Bowling And Billiards	168	101	67	66.3%	107	61	57.0%	1,569	1,588	(19)	(1.2%)	1,625	(56)	(3.4%)	38.5%	83.2%	(4,471)	(53.8%)	37.4%	108	2.9%	40.8%	47.7%	(697)	(14.6%)	41.0%	(21)	(0.5%)				
Qubicaamf Worlwide LCC	114	74	40	54.1%	53	61	115.1%	895	789	106	13.4%	764	131	17.1%	43.5%	63.5%	(2,006)	(31.6%)	28.3%	1,515	53.5%	45.1%	54.9%	(971)	(17.7%)	45.1%	6	0.1%				
NewSouth Window Solutions, LLC	62	60	2	3.3%	110	(48)	(43.6%)	408	617	(209)	(33.9%)	660	(252)	(38.2%)	39.8%	43.3%	(356)	(8.2%)	41.8%	(205)	(4.9%)	38.2%	39.0%	(80)	(2.1%)	33.2%	499	15.0%				
Great Day Improvement, LLC	60	50	10	20.0%	43	17	39.5%	342	403	(61)	(15.1%)	405	(63)	(15.6%)	33.6%	34.0%	(41)	(1.2%)	37.2%	(362)	(9.7%)	35.6%	40.3%	(472)	(11.7%)	30.2%	538	17.8%				
Yoders Window & Siding	41	–	41	N/A	1	40	4000.0%	254	258	(4)	(1.6%)	259	(5)	(1.9%)	40.8%	#DIV/0!	–	#VALUE!	0.0%	4,082	N/A	31.6%	44.0%	(1,236)	(28.1%)	35.6%	(395)	(11.1%)				
Fairway Building Products	–	18	(18)	(100.0%)	–	-	N/A	60	139	(79)	(56.8%)	121	(61)	(50.4%)	#DIV/0!	22.2%	–	#VALUE!	#DIV/0!	NA	#DIV/0!	11.7%	25.4%	(1,366)	(53.8%)	19.8%	(811)	(40.9%)				
Graber Manufacturing Llc	–	–	-	N/A	–	-	N/A	–	92	(92)	(100.0%)	92	(92)	(100.0%)	#DIV/0!	#DIV/0!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	40.2%	–	#VALUE!	42.4%	NA	#VALUE!				
Columbia Industries, Inc.	–	–	-	N/A	5	(5)	(100.0%)	53	58	(5)	(8.6%)	63	(10)	(15.9%)	#DIV/0!	#DIV/0!	–	#VALUE!	20.0%	NA	#VALUE!	1.8%	16.4%	(1,459)	(89.1%)	19.0%	(1,722)	(90.6%)				
Jeld-Wen Windows & Doors	2	2	-	0.0%	2	-	0.0%	24	27	(3)	(11.1%)	34	(10)	(29.4%)	14.4%	50.0%	(3,560)	(71.2%)	0.0%	1,440	N/A	19.6%	25.0%	(543)	(21.7%)	12.1%	745	61.4%				
Constant Distribution LLC	–	–	-	N/A	–	-	N/A	7	–	7	N/A	7	-	0.0%	#DIV/0!	#DIV/0!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	(12.3%)	#DIV/0!	–	#DIV/0!	(50.0%)	3,774	(75.5%)				
CGI	14	5	9	180.0%	2	12	600.0%	88	38	50	131.6%	8	80	1000.0%	14.9%	0.0%	1,489	#DIV/0!	0.0%	1,489	N/A	7.8%	0.0%	779	N/A	0.0%	779	N/A				
East Central Indiana Vinyl MFG, LU	–	–	-	N/A	–	-	N/A	23	22	1	4.5%	27	(4)	(14.8%)	#DIV/0!	#DIV/0!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	25.2%	43.2%	(1,795)	(41.6%)	33.3%	(810)	(24.3%)				
Lakeland Polymers, LLC	1	–	1	N/A	1	-	0.0%	19	9	10	111.1%	33	(14)	(42.4%)	(395.2%)	#DIV/0!	–	#VALUE!	(300.0%)	(9,520)	31.7%	(107.0%)	(294.4%)	18,741	(63.6%)	(63.1%)	(4,395)	69.7%				
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	74	50	25	49.5%	56	18	32.5%	602	422	179	42.4%	1,044	(442)	(42.3%)	4.0%	84.6%	(8,062)	(95.3%)	9.9%	(586)	(59.4%)	14.3%	80.2%	(6,588)	(82.2%)	7.2%	706	97.5%				
Total Gross	\$ 3,623	\$ 3,781	\$ (157)	(4.2%)	\$ 3,569	\$ 54	1.5%	\$ 33,725	\$ 36,982	\$ (3,258)	(8.8%)	\$ 33,464	\$ 261	0.8%	22.2%	24.4%	(226)	(9.3%)	18.2%	398	21.9%	21.5%	23.0%	(145)	(6.3%)	17.5%	397	22.7%				

Management Discussion

- Improved sales vs prior months and prior year however coming in slightly behind budget.
- PGT and Polaris being the biggest contributor with the most impact. However improvement vs PY
- Comfort view slower sales in October, possibly timing
- Qubicaamf and Brunswick continue being positive from momentum gained in Q3.

Key Performance Indicators - Delmont

ENERGI Delmont Extrusion KPI Report	2019 Targets	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	YTD 2019
Health & Safety												
<i>Recordable Incidents</i>	0	0	0	2	1	0	0	0	0	0	0	3
<i>TRIR (Total Recordable Incident Rate)</i>	<1	2.87	2.87	2.87	4.25	4.25	4.25	4.25	3.59	2.89	2.89	4.25
Quality Performance												
<i>Customer Complaints - per MLBS</i>	3.2	2.76	3.16	3.68	2.94	3.03	3.42	3.6	4.80	2.82	2.52	3
<i>Return as % of sales</i>	0.30%	0.15%	0.27%	0.40%	0.08%	0.18%	0.17%	0.22%	0.37%	1.08%	0.79%	0.04%
Delivery Performance												
<i>% on time in full</i>	95.00%	99.71%	99.80%	99.73%	99.58%	99.55%	99.64%	99.67%	99.51%	99.55%	99.69%	99.64%
<i>% by line items</i>	99.00%	99.50%	99.38%	99.39%	99.25%	99.05%	99.40%	99.27%	99.05%	99.15%	99.42%	99.29%
Costs												
<i>Yield</i>	85.7%	81.36%	82.71%	83%	83%	83%	82%	82%	83.65%	83%	86%	83%
<i>Alt/Regrind Compound Consumption Ratio</i>	17.1%	25.4%	19.8%	19.5%	23%	18%	21%	19%	28.0%	24%	24%	22%
<i>Direct Labour \$/lb produced</i>	\$0.167	\$0.178	\$0.174	\$ 0.165	\$ 0.181	\$ 0.178	\$ 0.180	\$ 0.183	\$ 0.186	\$ 0.187	\$ 0.158	\$ 0.177
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.176	\$0.151	\$0.177	\$ 0.163	\$ 0.181	\$ 0.187	\$ 0.171	\$ 0.166	\$ 0.171	\$ 0.177	\$ 0.162	\$ 0.170
Inventory												
<i>Days - TTM (Trailing 12 Months)</i>	58.7	62.0	62.1	65	67	67	70	71	73.0	73	74	66

Comments:

Quality: \$5.7k 2697 NT, \$6.5k 9149 NT, \$4.5k PGT and New Brunswick

Inventory: Sales lower vs budget

Full Year Delmont P&L Summary

\$'000	FY		Var		PY	Var	
	Fcst	Bud	\$	%	Fcst	\$	%
Units Produced ('000)	21,621	24,343	(2,722)	(11.2%)	20,561	1,060	5.2%
Units Shipped ('000)	22,386	24,886	(2,500)	(10.0%)	21,921	464	2.1%
Bookings (\$'000)	\$ 37,878	\$ 41,360	\$ (3,482)	(8.4%)	\$ 35,856	\$ 2,021	5.6%
Backlog ('\$000)	\$ 1,812	\$ 1,812	\$ –	0.0%	\$ 1,483	\$ 329	22.2%
Gross Revenue	\$ 39,842	\$ 43,100	\$ (3,258)	(7.6%)	\$ 38,138	\$ 1,704	4.5%
Adj. to Gross Revenue	(1,150)	(1,242)	92	(7.4%)	(1,103)	(48)	4.3%
Net Revenue	38,692	41,858	(3,166)	(7.6%)	37,036	1,656	4.5%
Material	19,014	20,394	(1,380)	(6.8%)	18,975	39	0.2%
Labor	7,718	8,373	(655)	(7.8%)	7,668	50	0.6%
Other COGS	3,516	3,394	122	3.6%	3,615	(99)	(2.7%)
Total COGS	30,248	32,161	(1,914)	(5.9%)	30,257	(10)	(0.0%)
Gross Margin	8,444	9,697	(1,252)	(12.9%)	6,778	1,666	24.6%
Gross Margin %	21.8%	23.2%			18.3%		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	147	181	(33)	(18.5%)	121	26	21.4%
Administrative	2,646	2,695	(49)	(1.8%)	2,623	23	0.9%
Other Opex	–	–	–	N/A	–	–	N/A
Total Opex	2,794	2,876	(83)	(2.9%)	2,745	49	1.8%
EBITDA	5,651	6,820	(1,170)	(17.1%)	4,034	1,617	40.1%
EBITDA %	14.6%	16.3%			10.9%		
Net Income (Loss)	\$ 3,749	\$ 5,006	\$ (1,256)	(25.1%)	\$ 2,400	\$ 1,350	56.2%
Capex	\$ (799)	\$ (1,171)	\$ 372	(31.8%)	\$ (1,425)	\$ 626	(43.9%)
Opex Overview:							
Payroll	\$ 678	\$ 753	\$ (75)	(10.0%)	\$ 639	\$ 39	6.1%
Bonus	–	–	–	N/A	–	–	N/A
Commissions	–	–	–	N/A	–	–	N/A
Marketing	0	–	0	N/A	–	0	N/A
Benefits	–	–	–	N/A	–	–	N/A
Travel and entertainment	1	–	1	N/A	2	(1)	(66.6%)
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	–	–	–	N/A	–	–	N/A
Professional fees	–	–	–	N/A	–	–	N/A
Utilities, repair, maintenance, and security	39	45	(6)	(13.0%)	43	(4)	(8.2%)
Corporate OH Fees	1,989	1,983	6	0.3%	1,985	4	0.2%
Bad Debts	–	–	–	N/A	3	(3)	(100.0%)
FX	–	–	–	N/A	–	–	N/A
JV Loss (Income)	–	–	–	N/A	–	–	N/A
Other Expenses	87	96	(9)	(9.5%)	76	11	14.1%
Total Opex	\$ 2,793	\$ 2,876	\$ (83)	(2.9%)	\$ 2,747	\$ 46	1.7%

Key Customers – Full Year Delmont

	Gross Sales (\$'000)									Gross Margin %									
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var			
	Fcst	Bud	\$	%	Fcst	\$	%			Fcst	Bud	BPs	%	Fcst	BPs	%			
Customer:																			
PGT Industries Inc	\$	21,559	\$	22,984	\$	(1,425)	(6.2%)	\$	20,107	\$	1,452	7.2%	19.9%	19.2%	70	3.6%	15.4%	450	29.2%
Polaris Technologies		5,181		5,822		(641)	(11.0%)		3,577		1,604	44.8%	16.1%	17.7%	(154)	(8.7%)	16.2%	(7)	(0.4%)
Comfort View Products		2,239		3,135		(896)	(28.6%)		2,920		(681)	(23.3%)	19.2%	16.1%	306	18.9%	12.3%	688	55.8%
Sierra Pacific Windows		2,765		2,560		205	8.0%		2,632		133	5.1%	9.1%	9.9%	(86)	(8.6%)	6.3%	280	44.6%
Atrium Windows & Doors		1,366		1,580		(214)	(13.5%)		1,581		(215)	(13.6%)	38.7%	47.4%	(865)	(18.3%)	35.7%	300	8.4%
Regency Plus, Inc.		1,892		2,060		(168)	(8.2%)		1,662		230	13.8%	20.5%	17.9%	265	14.8%	15.0%	551	36.6%
Brunswick Bowling And Billiards		1,710		1,729		(19)	(1.1%)		1,751		(41)	(2.3%)	42.3%	48.9%	(662)	(13.5%)	40.9%	135	3.3%
Qubicaamf Worlwide LCC		998		892		106	11.9%		864		134	15.5%	45.8%	55.0%	(917)	(16.7%)	44.0%	186	4.2%
NewSouth Window Solutions, LLC		473		682		(209)	(30.6%)		769		(296)	(38.5%)	39.2%	39.6%	(42)	(1.1%)	35.2%	397	11.3%
Great Day Improvement, LLC		402		463		(61)	(13.2%)		482		(80)	(16.6%)	35.7%	40.1%	(435)	(10.9%)	30.5%	522	17.1%
Yoders Window & Siding		296		300		(4)	(1.3%)		259		37	14.3%	32.2%	43.5%	(1,138)	(26.1%)	35.5%	(335)	(9.4%)
Fairway Building Products		60		139		(79)	(56.8%)		121		(61)	(50.4%)	15.1%	26.9%	(1,186)	(44.1%)	19.8%	(477)	(24.1%)
Graber Manufacturing Llc		–		92		(92)	(100.0%)		92		(92)	(100.0%)	#DIV/0!	42.9%	–	#VALUE!	42.4%	NA	#VALUE!
Columbia Industries, Inc.		53		58		(5)	(8.6%)		63		(10)	(15.9%)	2.7%	17.2%	(1,451)	(84.1%)	19.0%	(1,631)	(85.6%)
Jeld-Wen Windows & Doors		24		27		(3)	(11.1%)		36		(12)	(33.3%)	21.7%	26.9%	(518)	(19.2%)	11.1%	1,063	95.7%
Constant Distribution LLC		7		–		7	N/A		7		-	0.0%	(12.3%)	#DIV/0!	–	#DIV/0!	(57.1%)	4,489	(78.6%)
CGI		98		48		50	104.2%		11		87	790.9%	7.7%	0.0%	766	N/A	0.0%	766	N/A
East Central Indiana Vinyl MFG, LL		23		22		1	4.5%		43		(20)	(46.5%)	27.4%	45.5%	(1,804)	(39.7%)	37.2%	(980)	(26.3%)
Lakeland Polymers, LLC		19		9		10	111.1%		53		(34)	(64.2%)	(117.8%)	(316.7%)	19,883	(62.8%)	(37.7%)	(8,011)	212.3%
JP Industrial Products Inc		–		–		-	N/A		–		-	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Other		677		498		179	36.0%		1,108		(431)	(38.9%)	19.2%	81.3%	(6,210)	(76.4%)	7.0%	1,215	172.5%
Total Gross	\$	39,842	\$	43,100	\$	(3,258)	(7.6%)	\$	38,138	\$	1,704	4.5%	21.3%	22.7%	(135)	(6.0%)	17.8%	354	19.9%

Everett Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	1,503	1,477	26	1.8%	13,699	14,402	(703)	(4.9%)
Units Shipped ('000)	1,496	1,634	(138)	(8.5%)	13,118	14,790	(1,671)	(11.3%)
Bookings (\$'000)	2,532	2,757	\$(225)	(8.2%)	21,281	25,523	\$(4,242)	(16.6%)
Backlog (\$'000)	1,179	2,463	\$(1,284)	(52.1%)	1,179	2,463	\$(1,284)	(52.1%)
Gross Revenue	2,454	2,740	\$(286)	(10.4%)	21,271	25,242	\$(3,971)	(15.7%)
Adj. to Gross Revenue	(132)	(151)	19	(12.4%)	(914)	(1,351)	437	(32.4%)
Net Revenue	2,322	2,590	(267)	(10.3%)	20,357	23,891	(3,534)	(14.8%)
Material	1,271	1,244	27	2.2%	10,566	11,213	(646)	(5.8%)
Labor	518	523	(5)	(1.0%)	5,193	5,105	87	1.7%
Other COGS	228	367	(139)	(37.8%)	1,942	2,709	(768)	(28.3%)
Total COGS	2,017	2,134	(117)	(5.5%)	17,701	19,027	(1,327)	(7.0%)
Gross Margin	305	456	(150)	(33.0%)	2,656	4,864	(2,207)	(45.4%)
Gross Margin %	13.2%	17.6%			13.0%	20.4%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	32	20	12	57.6%	293	297	(4)	(1.4%)
Administrative	234	262	(27)	(10.4%)	2,517	2,616	(99)	(3.8%)
Other Opex	(2)	—	(2)	N/A	(7)	—	(7)	N/A
Total Opex	264	282	(18)	(6.2%)	2,803	2,913	(110)	(3.8%)
EBITDA	41	174	(133)	(76.2%)	(146)	1,951	(2,097)	(107.5%)
EBITDA %	1.8%	6.7%			(0.7%)	8.2%		
Net Income (Loss)	\$(91)	\$67	\$(158)	(235.2%)	\$(1,319)	\$907	\$(2,226)	(245.4%)
Capex	\$(198)	—	\$(198)	N/A	\$(1,828)	\$(752)	\$(1,075)	143.0%
Opex Overview:								
Payroll	\$45	\$72	\$(27)	(37.2%)	\$602	\$692	\$(90)	(13.1%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	19	7	12	186.1%	168	167	1	0.7%
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	—	2	(2)	(100.0%)	5	16	(11)	(69.7%)
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	14	12	1	11.0%	130	137	(7)	(4.8%)
Professional fees	—	—	—	N/A	17	—	17	N/A
Utilities, repair, maintenance, and	0	—	0	N/A	4	6	(2)	(30.2%)
Corporate OH Fees	177	178	(1)	(0.6%)	1,776	1,774	1	0.1%
Bad Debts	0	—	0	N/A	0	—	0	N/A
FX	(2)	—	(2)	N/A	(7)	—	(7)	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	11	11	0	4.5%	108	121	(13)	(10.4%)
Total Opex	\$264	\$282	\$(18)	(6.2%)	\$2,803	\$2,913	\$(110)	(3.8%)

Management Discussion

Net Revenue – Oct-19: (\$267K)

- Sales volume down 8.5% or \$219k driven by decreased volume from Simonton, Van Isle & Westeck; offset by increased volume from CDA, Western and Whisper Walls.
- Returns & accruals in line with budget
- Lower rebates of \$6k primarily driven by the lower sales volumes
- Lower ASP by \$54k primarily driven by delay in capstock sales; and new agreements with lower ASP for Cascade (\$27k)

EBITDA – Oct-19: (\$133K)

- Material COGS:** Increase in costs by \$27k driven by decreased regrind/alt material usage (17.01% vs 25% - primarily lack of WHT 801 regrind) \$40k; Trials of PolyOne material \$34k; Prior month inventory write-down adjustments (related to MUV/Scrap recovery) \$30k; write-down customer returns (West Coast & CDA) \$18k and increased LCM/E&O reserves \$10k; offset by sales volume decrease \$105k
- Labor COGS:** In line with budget.
- Other COGS:** Decrease in cost by \$139k driven by favorable net absorption \$74k (plan was to pull 157k lbs from inventory, actual build of 7k lbs) and increased tool & die recovery of \$65k (steel inventory adjustment \$24k plus additional customer tools cut)
- Sales and Marketing:** Increase in costs by \$12k driven by customer fabrication tooling support related to the West Coast Platform
- Administrative:** Decrease in costs by \$27k primarily driven by lower labor (1 less headcount)
- Other Opex:** In line with plan.

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	Bud	BP's	%	Act	BP's	%	Act	Bud	BP's	%	Act	BP's	%
Customer:																												
Simonton	\$ 901	\$ 1,033	\$ (131)	(12.7%)	\$ 905	\$ (4)	(0.4%)	\$ 8,037	\$ 9,329	\$ (1,292)	(13.8%)	\$ 8,902	\$ (865)	(9.7%)	10.6%	18.3%	(768)	(42.0%)	7.2%	344	47.9%	12.8%	20.2%	(745)	(36.8%)	9.5%	326	34.2%
Coeur d'Alene	444	437	7	1.7%	286	158	55.4%	3,029	3,366	(337)	(10.0%)	2,421	608	25.1%	0.1%	5.0%	(499)	(98.8%)	2.8%	(274)	(97.8%)	1.9%	7.3%	(542)	(74.2%)	4.2%	(228)	(54.7%)
Westeck	85	184	(98)	(53.6%)	225	(140)	(62.1%)	1,356	1,671	(315)	(18.9%)	1,532	(176)	(11.5%)	34.7%	24.2%	1,046	43.1%	17.3%	1,737	100.2%	24.6%	26.3%	(171)	(6.5%)	19.0%	557	29.3%
Cascade	155	225	(70)	(31.3%)	238	(83)	(34.9%)	1,772	1,595	176	11.1%	1,690	82	4.8%	(35.5%)	(4.5%)	(3,106)	692.2%	(6.7%)	(2,882)	428.7%	(25.9%)	(2.3%)	(2,358)	1027.2%	(10.6%)	(1,524)	143.4%
All Weather	143	87	56	65.0%	138	5	3.5%	1,217	991	226	22.8%	1,108	109	9.8%	(1.1%)	(1.5%)	43	(29.0%)	(3.6%)	257	(70.9%)	(2.7%)	0.8%	(352)	(442.8%)	(1.0%)	(172)	169.7%
KGW	133	113	20	17.5%	140	(7)	(5.2%)	913	990	(77)	(7.8%)	989	(76)	(7.7%)	28.4%	11.2%	1,727	154.8%	30.0%	(157)	(5.2%)	32.4%	13.4%	1,898	141.3%	30.5%	194	6.4%
Lindsay	113	73	40	53.9%	101	12	11.9%	794	1,028	(234)	(22.8%)	1,000	(206)	(20.6%)	13.6%	13.0%	56	4.3%	11.9%	170	14.3%	13.1%	15.4%	(229)	(14.9%)	9.9%	318	32.1%
Solar	–	25	(25)	(100.0%)	94	(94)	(100.0%)	453	250	203	81.1%	1,485	(1,032)	(69.5%)	#DIV/0!	10.5%	–	#VALUE!	7.4%	NA	#VALUE!	13.3%	12.8%	48	3.7%	7.1%	623	88.3%
ATI	–	37	(37)	(100.0%)	3	(3)	(100.0%)	17	329	(312)	(94.8%)	345	(328)	(95.1%)	#DIV/0!	9.8%	–	#VALUE!	(33.3%)	NA	#VALUE!	(315.8%)	12.1%	(32,785)	(2715.4%)	14.4%	(33,019)	(2291.3%)
Win-Dor	–	11	(11)	(100.0%)	9	(9)	(100.0%)	9	726	(717)	(98.8%)	559	(550)	(98.4%)	#DIV/0!	18.6%	–	#VALUE!	44.4%	NA	#VALUE!	135.8%	20.1%	11,570	576.3%	19.5%	11,630	597.1%
Northern - Yukon	63	86	(23)	(26.9%)	68	(5)	(7.8%)	589	648	(58)	(9.0%)	643	(54)	(8.4%)	22.7%	41.1%	(1,845)	(44.9%)	36.8%	(1,411)	(38.4%)	41.7%	43.2%	(142)	(3.3%)	40.8%	94	2.3%
Van Isle	–	78	(78)	(100.0%)	50	(50)	(100.0%)	315	639	(324)	(50.7%)	633	(318)	N/A	#DIV/0!	21.9%	–	#VALUE!	94.0%	NA	#VALUE!	12.2%	24.0%	(1,179)	(49.2%)	73.6%	(6,143)	(83.5%)
Whisper Walls	112	51	61	120.0%	53	59	111.6%	611	501	110	21.9%	585	26	4.4%	57.6%	44.7%	1,291	28.9%	35.8%	2,176	60.7%	50.5%	46.6%	392	8.4%	47.5%	296	6.2%
West Coast Designed	47	33	14	42.0%	56	(9)	(16.9%)	325	388	(63)	(16.2%)	375	(50)	(13.2%)	31.3%	41.9%	(1,058)	(25.3%)	41.1%	(980)	(23.9%)	43.4%	43.7%	(29)	(0.7%)	36.2%	721	19.9%
Hometime	–	29	(29)	(100.0%)	–	–	N/A	164	368	(204)	(55.5%)	236	(72)	(30.6%)	#DIV/0!	33.7%	–	#VALUE!	#DIV/0!	NA	#DIV/0!	27.4%	35.4%	(804)	(22.7%)	29.9%	(248)	(8.3%)
Western	116	57	59	103.9%	18	98	546.7%	412	561	(149)	(26.6%)	238	174	73.0%	33.2%	41.5%	(831)	(20.0%)	16.7%	1,652	99.1%	31.3%	43.9%	(1,258)	(28.7%)	22.5%	880	39.1%
Coastal	75	–	75	N/A	41	34	81.7%	245	271	(26)	(9.7%)	270	(25)	(9.3%)	41.8%	#DIV/0!	–	#DIV/0!	36.6%	520	14.2%	42.2%	31.7%	1,053	33.2%	39.9%	232	5.8%
Modern	52	84	(32)	(37.6%)	73	(21)	(28.3%)	222	367	(145)	(39.5%)	318	(96)	(30.3%)	34.6%	34.9%	(36)	(1.0%)	23.3%	1,130	48.5%	22.1%	36.4%	(1,431)	(39.3%)	19.0%	312	16.4%
Avanti	–	35	(35)	(100.0%)	16	(16)	(100.0%)	98	266	(169)	(63.4%)	233	(135)	(58.1%)	#DIV/0!	38.6%	–	#VALUE!	50.0%	NA	#VALUE!	34.2%	40.8%	(663)	(16.3%)	35.1%	(92)	(2.6%)
Oasis	–	30	(30)	(100.0%)	24	(24)	(100.0%)	96	177	(81)	(45.8%)	171	(75)	(43.9%)	#DIV/0!	15.7%	–	#VALUE!	12.5%	NA	#VALUE!	23.7%	17.7%	604	34.1%	9.1%	1,463	160.4%
Other	15	33	(18)	(53.6%)	13	3	21.4%	599	782	(182)	(23.3%)	659	(60)	(9.1%)	11.1%	34.1%	(2,303)	(67.5%)	2.5%	862	348.3%	36.0%	34.1%	190	5.6%	36.2%	(22)	(0.6%)
Total Gross	\$ 2,454	\$ 2,740	\$ (286)	(10.4%)	\$ 2,551	\$ (96)	(3.8%)	\$ 21,271	\$ 25,242	\$ (3,971)	(15.7%)	\$ 24,392	\$ (3,121)	(12.8%)	12.4%	16.6%	(419)	(25.2%)	12.2%	20	1.6%	12.5%	19.4%	(693)	(35.7%)	14.1%	(163)	(11.5%)

Management Discussion

- Overall better vs prior months.
- Simonton continues to under perform.
- Westeck and Cascade had softer sales for the month
- Win-dor and Van Isle – Lost business to competitor at the start of the year

Key Performance Indicators - Everett

ENERGI Everett Extrusion KPI Report	2019 Targets	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	YTD 2019
Health & Safety												
Recordable Incidents	1	0	0	0	1	1	0	0	0	0	1	3
TRIR (Total Recordable Incident Rate)	<1	0	0	0	1	2.12	1.8	2.14	2.14	2.24	3.23	2.24
Quality Performance												
Customer Complaints - per MLBS	8.0	1.7	2.8	4.1	2.1	2.4	3.8	2.8	4.4	2.15	4.01	3.0
Return as % of sales	0.30%	0.43%	0.32%	0.06%	0.40%	0.55%	0.42%	0.06%	0.28%	0.30%	0.87%	0.36%
Delivery Performance												
% on time in full	95.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.75%	100.00%	100.00%	100%	99.98%
% by line items	99.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.10%	100.00%	100.00%	100%	99.91%
Costs												
Yield	85.7%	90.9%	91.2%	90.9%	89.0%	90.7%	90.7%	83.8%	89.8%	90.2%	90%	89.8%
Alt/Regrind Compound Consumption Ratio	19.9%	32.0%	18.4%	21.4%	18.3%	17.3%	16.4%	19.8%	19.6%	18%	17%	19.8%
Direct Labour \$/lb produced	\$0.167	\$ 0.182	\$ 0.189	\$ 0.170	\$ 0.166	\$ 0.209	\$ 0.184	\$ 0.223	\$ 0.172	\$ 0.181	\$ 0.159	\$ 0.182
Indirect Labour (incl D&D) \$/lb produced	\$0.176	\$ 0.180	\$ 0.201	\$ 0.191	\$ 0.192	\$ 0.209	\$ 0.199	\$ 0.282	\$ 0.182	\$ 0.176	\$ 0.185	\$ 0.197
Inventory												
Days - TTM (Trailing 12 Months)	84.5	84.4	85.6	87.2	87.8	88.8	91.7	92.7	93.6	92.9	93	92.9

Comments

Health & Safety: Back Strain to 1 worker caused by incorrect posture when adjusting vacuum table on a line.

Quality: Customers cleaning out warehouses West Coast Designed product from Mar 2019 to Aug 2019. CDA product from 2018

Cost: Alt/Regrind Cons ratio: Lack of WHT 801 regrind.

UL: Lower HC offset by additional tooling OT

Inventory: Sales lower vs budget.

Full Year Everett P&L Summary

\$'000	FY		Var		PY	Var	
	Fcst	Bud	\$	%	Act	\$	%
Units Produced ('000)	15,825	16,527	(703)	(4.3%)	18,519	(2,694)	(14.5%)
Units Shipped ('000)	15,592	17,263	(1,671)	(9.7%)	16,932	(1,340)	(7.9%)
Bookings (\$'000)	\$ 25,566	\$ 29,808	\$ (4,242)	(14.2%)	\$ 26,978	\$ (1,412)	(5.2%)
Backlog ('\$000)	\$ 2,601	\$ 2,601	\$ –	0.0%	\$ 1,148	\$ 1,453	126.5%
Gross Revenue	\$ 25,477	\$ 29,448	\$ (3,971)	(13.5%)	\$ 28,090	\$ (2,613)	(9.3%)
Adj. to Gross Revenue	(1,131)	(1,568)	437	(27.9%)	(1,483)	352	(23.7%)
Net Revenue	24,346	27,880	(3,534)	(12.7%)	26,607	(2,262)	(8.5%)
Material	12,458	13,105	(646)	(4.9%)	13,359	(900)	(6.7%)
Labor	6,230	6,142	87	1.4%	6,705	(476)	(7.1%)
Other COGS	2,612	3,380	(768)	(22.7%)	2,876	(264)	(9.2%)
Total COGS	21,300	22,627	(1,327)	(5.9%)	22,941	(1,641)	(7.2%)
Gross Margin	3,046	5,253	(2,207)	(42.0%)	3,667	(621)	(16.9%)
Gross Margin %	12.5%	18.8%			13.8%		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	331	335	(4)	(1.2%)	247	84	33.9%
Administrative	3,020	3,119	(99)	(3.2%)	3,129	(108)	(3.5%)
Other Opex	(7)	–	(7)	N/A	11	(18)	(164.5%)
Total Opex	3,345	3,455	(110)	(3.2%)	3,387	(42)	(1.2%)
EBITDA	(299)	1,798	(2,097)	(116.6%)	280	(579)	(206.7%)
EBITDA %	(1.2%)	6.5%			1.1%		
Net Income (Loss)	\$ (1,685)	\$ 541	\$ (2,226)	(411.7%)	\$ (775)	\$ (910)	117.4%
Capex	\$ (1,828)	\$ (752)	\$ (1,075)	143.0%	\$ (1,856)	\$ 28	(1.5%)
<u>Opex Overview:</u>							
Payroll	\$ 737	\$ 827	\$ (90)	(10.9%)	\$ 816	\$ (80)	(9.8%)
Bonus	–	–	–	N/A	–	–	N/A
Commissions	–	–	–	N/A	–	–	N/A
Marketing	181	180	1	0.6%	104	77	73.6%
Benefits	–	–	–	N/A	–	–	N/A
Travel and entertainment	6	17	(11)	(65.5%)	14	(8)	(59.1%)
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	154	161	(7)	(4.1%)	162	(8)	(4.7%)
Professional fees	17	–	17	N/A	–	17	N/A
Utilities, repair, maintenance, and security	5	7	(2)	(25.7%)	7	(2)	(29.5%)
Corporate OH Fees	2,130	2,129	1	0.1%	2,129	2	0.1%
Bad Debts	0	–	0	N/A	(3)	3	(105.2%)
FX	(7)	–	(7)	N/A	11	(18)	(164.5%)
JV Loss (Income)	–	–	–	N/A	–	–	N/A
Other Expenses	122	134	(13)	(9.3%)	149	(28)	(18.5%)
Total Opex	\$ 3,345	\$ 3,455	\$ (110)	(3.2%)	\$ 3,390	\$ (45)	(1.3%)

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	\$	9,567	\$	10,859	\$	(1,292)	(11.9%)	\$	10,221	\$	(654)	(6.4%)	12.7%	19.5%	(687)	(35.2%)	8.6%	403	46.8%
Coeur d'Alene		3,663		4,000		(337)	(8.4%)		2,804		859	30.6%	1.4%	6.4%	(497)	(77.4%)	3.3%	(183)	(55.8%)
Westeck		1,657		1,972		(315)	(16.0%)		1,791		(134)	(7.5%)	23.8%	25.4%	(168)	(6.6%)	18.3%	545	29.8%
Cascade		2,165		1,988		176	8.9%		2,083		82	3.9%	(24.4%)	(3.4%)	(2,101)	625.4%	(10.7%)	(1,371)	128.6%
All Weather		1,343		1,117		226	20.2%		1,309		34	2.6%	(3.0%)	0.2%	(324)	(1533.2%)	(3.1%)	10	(3.3%)
KGW		1,078		1,155		(77)	(6.7%)		1,081		(3)	(0.3%)	30.0%	12.8%	1,723	135.0%	29.3%	67	2.3%
Lindsay		1,044		1,278		(234)	(18.3%)		1,145		(101)	(8.8%)	12.1%	14.3%	(226)	(15.8%)	8.5%	359	42.4%
Solar		503		300		203	67.6%		1,651		(1,148)	(69.6%)	12.7%	11.9%	89	7.5%	7.6%	517	68.2%
ATI		75		387		(312)	(80.6%)		345		(270)	(78.3%)	(116.4%)	11.1%	(12,748)	(1148.8%)	13.3%	(12,972)	(972.9%)
Win-Dor		54		771		(717)	(93.0%)		626		(572)	(91.4%)	46.7%	19.8%	2,685	135.5%	18.1%	2,860	158.4%
Northerm - Yukon		636		694		(58)	(8.4%)		789		(153)	(19.4%)	41.6%	43.0%	(138)	(3.2%)	39.4%	216	5.5%
Van Isle		371		694		(324)	(46.6%)		697		(326)	(46.8%)	12.0%	23.3%	(1,135)	(48.6%)	72.2%	(6,017)	(83.4%)
Whisper Walls		713		604		110	18.1%		681		32	4.7%	49.5%	45.8%	369	8.1%	46.0%	349	7.6%
West Coast Designed		377		439		(63)	(14.3%)		429		(52)	(12.2%)	42.7%	43.1%	(38)	(0.9%)	36.1%	658	18.2%
Hometime		198		402		(204)	(50.7%)		327		(129)	(39.4%)	27.6%	35.2%	(754)	(21.4%)	28.4%	(79)	(2.8%)
Western		522		671		(149)	(22.3%)		238		284	119.2%	31.7%	43.0%	(1,128)	(26.3%)	22.3%	942	42.3%
Coastal		340		366		(26)	(7.2%)		321		19	5.9%	38.4%	30.2%	820	27.2%	38.3%	3	0.1%
Modern		229		374		(145)	(38.7%)		351		(122)	(34.7%)	22.3%	36.4%	(1,408)	(38.7%)	18.2%	407	22.3%
Avanti		129		298		(169)	(56.7%)		249		(120)	(48.1%)	34.3%	40.5%	(616)	(15.2%)	35.7%	(142)	(4.0%)
Oasis		112		193		(81)	(42.0%)		188		(76)	(40.4%)	22.9%	17.5%	541	31.0%	9.6%	1,330	138.9%
Other		702		885		(182)	(20.6%)		764		(62)	(8.1%)	36.4%	34.6%	187	5.4%	41.5%	(503)	(12.1%)
Total Gross	\$	25,477	\$	29,448	\$	(3,971)	(13.5%)	\$	28,090	\$	(2,613)	(9.3%)	12.2%	18.6%	(641)	(34.5%)	13.1%	(87)	(6.7%)

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)	\$ 2,153	\$ 2,131	\$ 22	1.0%	\$ 18,084	\$ 17,722	\$ 362	2.0%
Backlog (\$'000)	\$ 1,975	\$ 3,022	\$ (1,047)	(34.6%)	\$ 1,975	\$ 3,022	\$ (1,047)	(34.6%)
Gross Revenue	\$ 2,252	\$ 2,202	\$ 50	2.3%	\$ 17,183	\$ 18,276	\$ (1,094)	(6.0%)
Adj. to Gross Revenue	(118)	(103)	(14)	14.0%	(798)	(857)	59	(6.9%)
Net Revenue	2,134	2,098	36	1.7%	16,385	17,420	(1,035)	(5.9%)
Material	1,342	1,233	109	8.9%	10,320	10,225	95	0.9%
Labor	421	399	22	5.5%	3,444	3,697	(253)	(6.8%)
Other COGS	139	208	(69)	(33.3%)	1,537	1,955	(418)	(21.4%)
Total COGS	1,902	1,840	62	3.4%	15,301	15,877	(576)	(3.6%)
Gross Margin	231	258	(26)	(10.2%)	1,084	1,543	(459)	(29.8%)
Gross Margin %	10.8%	12.3%			6.6%	8.9%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	49	36	13	36.8%	363	347	16	4.5%
Administrative	201	205	(3)	(1.7%)	1,901	1,970	(69)	(3.5%)
Other Opex	5	–	5	N/A	21	–	21	N/A
Total Opex	256	241	15	6.2%	2,285	2,317	(32)	(1.4%)
EBITDA	(24)	17	(41)	(243.4%)	(1,202)	(775)	(427)	55.1%
EBITDA %	(1.1%)	0.8%			(7.3%)	(4.4%)		
Net Income (Loss)	\$ (33)	\$ 4	\$ (37)	(903.6%)	\$ (1,274)	\$ (899)	\$ (375)	41.8%
Capex	\$ (9)	\$ –	\$ (9)	N/A	\$ (129)	\$ (287)	\$ 158	(54.9%)
Opex Overview:								
Payroll	\$ 92	\$ 93	\$ (2)	(1.8%)	\$ 840	\$ 876	\$ (37)	(4.2%)
Bonus	–	–	–	N/A	–	–	–	N/A
Commissions	–	–	–	N/A	–	–	–	N/A
Marketing	6	6	(0)	(5.6%)	38	68	(29)	(43.4%)
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	2	1	0	29.6%	9	12	(3)	(28.1%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	–	–	–	N/A	–	–	–	N/A
Professional fees	5	3	2	69.0%	38	26	12	45.8%
Utilities, repair, maintenance, and	7	8	(1)	(13.6%)	48	65	(17)	(26.5%)
Corporate OH Fees	133	125	8	6.5%	1,221	1,232	(11)	(0.9%)
Bad Debts	–	–	–	N/A	–	–	–	N/A
FX	5	–	5	N/A	21	–	21	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	6	4	2	48.8%	71	38	32	83.6%
Total Opex	\$ 256	\$ 241	\$ 15	6.2%	\$ 2,285	\$ 2,317	\$ (32)	(1.4%)

Management Discussion

Net Revenue – Oct-19: +\$36K

- Sales volume increased \$188k due to increased demand from Abritek and Isothermic; offset by decreased demand from Vaillancourt
- Unfavorable rebates/returns of \$11k primarily driven by new rebate program for all ATIS customers and adjustment to Golden Rebate for prior year.
- Unfavorable ASP of \$117k due to customer/product mix
- Unfavorable F/X of \$24k (actual rate of 1.3190 [or \$USD 0.7582] vs. 1.30 [or \$USD 0.7692])

EBITDA – Oct-19: (\$41K)

- Material COGS:** Increase in costs by \$109K primarily driven by sales volume increase \$66k, increased supplier price increases for glass (custom & price), steel and aluminum costs of \$31k and increased inventory reserves \$12k (discontinued colours)
- Labor COGS:** Increase in costs by \$22k due to inefficiencies with employees not producing at full capacity and higher turnover rates.
- Other COGS:** Decrease in cost by \$69k driven by increased net absorption \$28k; decreased freight \$22k (recovery from Sept invoiced), lower maintenance & factory expenses \$13k & lower utilities \$6k
- Sales and Marketing:** Increase in cost by \$13k driven by increased CSR headcount and product development costs (new handle for Orchestra door & testing for Golden new performer).
- Administrative:** Decrease in costs by \$3k driven by lower wages (vacations); offset by increased IST costs for programming new online quotation tool.
- Other Opex:** Increase in cost by \$5k driven by unfavorable F/X revaluation of working capital balances.

Key Customers – Gross Sales and Gross Margin %: Terrebonne

	Gross Sales (\$'000)														Gross Margin %																							
	MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var		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:																																						
A.M.I.	\$	362	\$	379	\$	(17)	(4.4%)	\$	369	\$	(7)	(1.8%)	\$	3,117	\$	3,156	\$	(39)	(1.2%)	\$	3,083	\$	34	1.1%	21.9%	0.0%	2,188	N/A	0.0%	2,188	N/A	9.2%	0.0%	922	N/A	0.0%	922	N/A
GOLDEN WINDOWS		176		206		(30)	(14.6%)		156		20	12.8%		1,805		1,716		89	5.2%		1,941		(136)	(7.0%)	(24.0%)	0.0%	(2,401)	N/A	0.0%	(2,401)	N/A	(22.5%)	0.0%	(2,249)	N/A	0.0%	(2,249)	N/A
OSTACO 2000 WINDOORS INC		189		191		(2)	(1.2%)		260		(71)	(27.4%)		1,511		1,585		(74)	(4.7%)		1,708		(197)	(11.5%)	12.4%	0.0%	1,243	N/A	0.0%	1,243	N/A	7.1%	0.0%	710	N/A	0.0%	710	N/A
PORTES & FENETRES ABRITEK		280		96		184	191.3%		107		173	161.4%		1,242		799		443	55.5%		949		293	30.9%	(8.7%)	0.0%	(871)	N/A	0.0%	(871)	N/A	(14.0%)	0.0%	(1,405)	N/A	0.0%	(1,405)	N/A
DASHWOOD INDUSTRIES INC		92		87		5	5.2%		85		7	7.7%		827		725		102	14.0%		816		11	1.3%	11.8%	0.0%	1,181	N/A	0.0%	1,181	N/A	13.9%	0.0%	1,389	N/A	0.0%	1,389	N/A
P & F ISOTHERMIC INC		149		56		93	165.3%		84		65	76.9%		781		464		317	68.4%		616		165	26.8%	(6.6%)	0.0%	(658)	N/A	0.0%	(658)	N/A	(6.3%)	0.0%	(628)	N/A	0.0%	(628)	N/A
VAILLANCOURT INC.		114		231		(117)	(50.8%)		47		67	141.7%		783		1,917		(1,134)	(59.2%)		722		61	8.4%	7.2%	0.0%	717	N/A	0.0%	717	N/A	(5.2%)	0.0%	(525)	N/A	0.0%	(525)	N/A
CANADIAN VINYLTEK WINDOWS C		47		36		11	31.8%		54		(7)	(12.2%)		332		299		33	10.9%		491		(159)	(32.5%)	57.5%	0.0%	5,750	N/A	0.0%	5,750	N/A	44.8%	0.0%	4,484	N/A	0.0%	4,484	N/A
FENERGIC INC		30		50		(20)	(40.7%)		117		(87)	(74.7%)		133		416		(283)	(68.1%)		484		(351)	(72.6%)	28.1%	0.0%	2,813	N/A	0.0%	2,813	N/A	14.9%	0.0%	1,495	N/A	0.0%	1,495	N/A
EXTREME WINDOW AND		23		56		(33)	(59.7%)		12		11	88.2%		383		466		(83)	(17.8%)		427		(44)	(10.3%)	(7.8%)	0.0%	(776)	N/A	0.0%	(776)	N/A	9.9%	0.0%	990	N/A	0.0%	990	N/A
VENTANA WINDOWS & DOORS INC		–		49		(49)	(100.0%)		38		(38)	(100.0%)		68		407		(339)	(83.3%)		419		(351)	(83.8%)	#DIV/0!	0.0%	–	N/A	0.0%	NA	N/A	(6.2%)	0.0%	(619)	N/A	0.0%	(619)	N/A
Fenêtres Concept		62		40		22	53.8%		60		2	2.5%		395		336		59	17.6%		378		17	4.5%	5.8%	0.0%	581	N/A	0.0%	581	N/A	(6.0%)	0.0%	(603)	N/A	0.0%	(603)	N/A
MASON WINDOWS LTD		51		31		20	65.3%		45		6	13.9%		288		257		31	12.0%		288		(0)	(0.0%)	(4.4%)	0.0%	(438)	N/A	0.0%	(438)	N/A	(17.0%)	0.0%	(1,700)	N/A	0.0%	(1,700)	N/A
CEN		14		30		(16)	(52.7%)		38		(24)	(62.7%)		330		252		78	31.1%		250		80	32.1%	10.0%	0.0%	1,003	N/A	0.0%	1,003	N/A	7.5%	0.0%	745	N/A	0.0%	745	N/A
TRI-STATE WINDOW FACTORY		43		12		31	259.6%		40		3	7.9%		353		144		209	145.1%		315		38	12.0%	30.4%	0.0%	3,035	N/A	0.0%	3,035	N/A	24.1%	0.0%	2,411	N/A	0.0%	2,411	N/A
FMC		48		29		19	66.3%		19		29	153.8%		321		200		121	60.6%		220		101	46.0%	11.0%	0.0%	1,099	N/A	0.0%	1,099	N/A	1.0%	0.0%	98	N/A	0.0%	98	N/A
ATLANTIC WINDOWS		22		29		(7)	(24.2%)		29		(7)	(24.2%)		234		241		(7)	(2.8%)		235		(1)	(0.4%)	30.6%	0.0%	3,056	N/A	0.0%	3,056	N/A	20.9%	0.0%	2,089	N/A	0.0%	2,089	N/A
YKK AP VINYL		28		34		(6)	(18.2%)		40		(12)	(30.5%)		311		271		40	14.6%		202		109	53.8%	48.9%	0.0%	4,890	N/A	0.0%	4,890	N/A	39.7%	0.0%	3,968	N/A	0.0%	3,968	N/A
LORENDO INC.		20		16		4	26.5%		22		(2)	(8.0%)		169		178		(9)	(5.1%)		192		(23)	(12.0%)	2.7%	0.0%	265	N/A	0.0%	265	N/A	(3.7%)	0.0%	(368)	N/A	0.0%	(368)	N/A
MAR		25		11		14	122.8%		18		7	36.1%		220		104		116	111.5%		208		12	5.8%	(11.4%)	0.0%	(1,145)	N/A	0.0%	(1,145)	N/A	(3.2%)	0.0%	(319)	N/A	0.0%	(319)	N/A
Other		479		533		(54)	(10.1%)		488		(9)	(1.8%)		3,581		4,343		(763)	(17.6%)		3,847		(267)	(6.9%)	23.6%	48.4%	(2,478)	(51.2%)	2.5%	2,111	840.4%	16.9%	225.2%	(20,834)	(92.5%)	(4.2%)	2,108	(501.2%)
Total Gross	\$	2,252	\$	2,202	\$	50	2.3%	\$	2,128	\$	124	5.8%	\$	17,183	\$	18,276	\$	(1,094)	(6.0%)	\$	17,791	\$	(608)	(3.4%)	10.3%	11.7%	(143)	(12.2%)	0.6%	970	1685.7%	6.0%	8.2%	(220)	(26.8%)	(0.9%)	693	(767.6%)

Management Discussion

- Overall a strong quarter compared to market conditions with overall sales exceeding budget.
- Major contributions from Abritek and PF Isothermic
- Vaillancourt– Soft sales in 2019 with no big projects at hand, better vs PY YTD
- Ventana – Customer went bankrupt

Key Performance Indicators - Terrebonne

ENERGI Terrebonne Patio Door KPI Report	2019 Targets	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	YTD 2019
Health & Safety												
<i>Recordable Incidents</i>	0	0	0	0	0	0	0	2	0	1	0	3
<i>TRIR (Total Recordable Incident Rate)</i>	<1	0.0	0.0	0.0	0.0	0.0	0.0	3.0	2.9	3.8	3.83	3.8
Quality Performance												
<i>Customer Complaints - per MLBS</i>	3.2	3.98	3.9	3.6	3.7	3.4	2	2	1.9	3.9	3.4	3
<i>Return as % of sales</i>	1.25%	1.57%	1.76%	0.58%	0.24%	0.53%	0.21%	1.08%	1.02%	0.89%	0.74%	0.82%
Delivery Performance												
<i>% on time in full</i>	95.00%	100.00%	95.71%	95.55%	78.35%	80.32%	73.88%	71.10%	83.02%	89.05%	72.48%	83.95%
<i>% by line items</i>	95.00%	95.38%	95.71%	95.55%	78.35%	80.32%	73.88%	71.10%	83.02%	89.05%	72.48%	83.49%
Costs												
<i>Direct Labour \$/FPV</i>	\$0.174	\$ 0.143	\$0.148	\$ 0.159	\$ 0.165	\$ 0.185	\$ 0.198	\$ 0.192	\$ 0.168	\$ 0.187	\$ 0.178	\$ 0.175
<i>Indirect Labour (incl D&D) \$/FPV</i>	\$0.069	\$ 0.096	\$0.073	\$ 0.063	\$ 0.054	\$ 0.055	\$ 0.056	\$ 0.048	\$ 0.044	\$ 0.051	\$ 0.049	\$ 0.056
Inventory												
<i>Days - TTM (Trailing 12 Months)</i>	71.0	75	71.4	70	69	66	65	62	62	62	63	62

Comments:

Quality: Some complaints regarding issues with quality

Delivery: Issues with raw material deliver & faults with the Paint line causing finishing delays

Labour: High employee turnover and related training costs.

Full Year Terrebonne P&L Summary

\$'000	FY		Var		PY	Var	
	Fcst	Bud	\$	%		\$	%
Units Produced ('000)	—	—	—	N/A	—	—	N/A
Units Shipped ('000)	—	—	—	N/A	—	—	N/A
Bookings (\$'000)	\$ 21,704	\$ 21,343	\$ 362	1.7%	\$ 20,249	\$ 1,455	7.2%
Backlog ('\$000)	\$ 3,301	\$ 3,301	\$ —	0.0%	\$ 1,025	\$ 2,275	222.0%
Gross Revenue	\$ 20,914	\$ 22,008	\$ (1,094)	(5.0%)	\$ 20,687	\$ 228	1.1%
Adj. to Gross Revenue	(973)	(1,032)	59	(5.7%)	(1,023)	50	(4.9%)
Net Revenue	19,941	20,976	(1,035)	(4.9%)	19,664	278	1.4%
Material	12,424	12,328	95	0.8%	12,124	299	2.5%
Labor	4,149	4,402	(253)	(5.7%)	4,530	(381)	(8.4%)
Other COGS	1,910	2,329	(418)	(18.0%)	3,397	(1,486)	(43.8%)
Total COGS	18,484	19,059	(576)	(3.0%)	20,052	(1,568)	(7.8%)
Gross Margin	1,458	1,917	(459)	(23.9%)	(388)	1,846	(475.7%)
Gross Margin %	7.3%	9.1%			(2.0%)		
R&D	—	—	—	N/A	—	—	N/A
Sales & Marketing	439	424	16	3.7%	383	56	14.5%
Administrative	2,301	2,370	(69)	(2.9%)	2,381	(79)	(3.3%)
Other Opex	21	—	21	N/A	(63)	85	(133.2%)
Total Opex	2,762	2,794	(32)	(1.2%)	2,701	61	2.3%
EBITDA	(1,304)	(877)	(427)	48.6%	(3,089)	1,785	(57.8%)
EBITDA %	(6.5%)	(4.2%)			(15.7%)		
Net Income (Loss)	\$ (1,402)	\$ (1,027)	\$ (375)	36.6%	\$ (3,162)	\$ 1,760	(55.7%)
Capex	\$ (129)	\$ (287)	\$ 158	(54.9%)	\$ (517)	\$ 388	(75.0%)
<u>Opex Overview:</u>							
Payroll	\$ 1,021	\$ 1,058	\$ (37)	(3.5%)	\$ 1,029	\$ (8)	(0.7%)
Bonus	—	—	—	N/A	—	—	N/A
Commissions	—	—	—	N/A	—	—	N/A
Marketing	58	87	(29)	(33.6%)	57	1	1.4%
Benefits	—	—	—	N/A	—	—	N/A
Travel and entertainment	11	15	(3)	(23.3%)	15	(4)	(24.7%)
Rent and facilities	—	—	—	N/A	—	—	N/A
Insurance	—	—	—	N/A	0	(0)	(100.0%)
Professional fees	43	31	12	38.1%	59	(16)	(26.6%)
Utilities, repair, maintenance, and security	62	79	(17)	(22.0%)	70	(8)	(12.0%)
Corporate OH Fees	1,468	1,478	(11)	(0.7%)	1,484	(16)	(1.1%)
Bad Debts	—	—	—	N/A	3	(3)	(100.0%)
FX	21	—	21	N/A	(63)	85	(133.2%)
JV Loss (Income)	—	—	—	N/A	—	—	N/A
Other Expenses	78	46	32	69.5%	51	28	54.4%
Total Opex	\$ 2,762	\$ 2,794	\$ (32)	(1.2%)	\$ 2,704	\$ 58	2.2%

Key Customers – Full Year Terrebonne

	Gross Sales (\$'000)									Gross Margin %						
	FY		FY		Var		PY		Var		FY		FY		Var	
	Fcst	Bud	\$	%	Act	\$	%	Fcst	Bud	BPs	%					
Customer:																
A.M.I.	\$	3,761	\$	3,800	\$	(39)	(1.0%)	\$	3,511	\$	250	7.1%	8.3%	0.0%	830	N/A
GOLDEN WINDOWS		2,156		2,067		89	4.3%		2,290		(134)	(5.9%)	(20.4%)	0.0%	(2,040)	N/A
OSTACO 2000 WINDOORS INC		1,835		1,909		(74)	(3.9%)		1,906		(71)	(3.7%)	6.4%	0.0%	637	N/A
PORTES & FENETRES ABRITEK		1,405		962		443	46.1%		1,147		258	22.5%	(13.1%)	0.0%	(1,308)	N/A
DASHWOOD INDUSTRIES INC		975		873		102	11.7%		922		53	5.7%	12.7%	0.0%	1,269	N/A
P & F ISOTHERMIC INC		875		558		317	56.8%		815		60	7.4%	(5.9%)	0.0%	(589)	N/A
VAILLANCOURT INC.		1,175		2,309		(1,134)	(49.1%)		800		375	46.9%	(4.1%)	0.0%	(413)	N/A
CANADIAN VINYLTEK WINDOWS C		393		360		33	9.1%		555		(162)	(29.3%)	40.8%	0.0%	4,080	N/A
FENERGIC INC		219		502		(283)	(56.4%)		532		(313)	(58.9%)	11.0%	0.0%	1,096	N/A
EXTREME WINDOW AND		478		561		(83)	(14.8%)		511		(33)	(6.4%)	8.8%	0.0%	878	N/A
VENTANA WINDOWS & DOORS IN		151		490		(339)	(69.2%)		484		(333)	(68.8%)	(3.8%)	0.0%	(385)	N/A
Fenêtres Concept		464		405		59	14.6%		437		27	6.2%	(5.5%)	0.0%	(551)	N/A
MASON WINDOWS LTD		341		310		31	10.0%		328		13	3.9%	(15.4%)	0.0%	(1,544)	N/A
CEN		381		303		78	25.8%		292		89	30.6%	6.9%	0.0%	691	N/A
TRI-STATE WINDOW FACTORY		374		165		209	126.6%		356		18	5.0%	23.4%	0.0%	2,337	N/A
FMC		370		249		121	48.7%		259		111	42.9%	0.9%	0.0%	90	N/A
ATLANTIC WINDOWS		283		290		(7)	(2.4%)		274		9	3.3%	18.8%	0.0%	1,883	N/A
YKK AP VINYL		369		329		40	12.1%		225		144	63.8%	36.2%	0.0%	3,615	N/A
LORENDO INC.		196		205		(9)	(4.4%)		226		(30)	(13.3%)	(3.4%)	0.0%	(339)	N/A
MAR		238		122		116	95.1%		250		(12)	(4.8%)	(3.1%)	0.0%	(306)	N/A
Other		4,476		5,239		(763)	(14.6%)		4,567		(90)	(2.0%)	19.8%	207.1%	(18,724)	(90.4%)
Total Gross	\$	20,914	\$	22,008	\$	(1,094)	(5.0%)	\$	20,687	\$	228	1.1%	6.4%	8.4%	(196)	(23.4%)

ECS Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	8,166	9,119	(953)	(10.4%)	82,076	87,279	(5,204)	(6.0%)
Units Shipped ('000)	8,137	9,119	(981)	(10.8%)	82,197	87,279	(5,083)	(5.8%)
Bookings (\$'000)	\$ 788	\$ 809	\$ (21)	(2.6%)	\$ 6,918	\$ 7,631	\$ (713)	(9.3%)
Backlog ('\$000)	\$ 133	\$ 181	\$ (47)	(26.1%)	\$ 133	\$ 181	\$ (47)	(26.1%)
External Revenue	\$ 850	\$ 811	\$ 39	4.8%	\$ 7,044	\$ 7,652	\$ (608)	(7.9%)
Affiliate Revenue	\$ 4,886	\$ 5,711	\$ (825)	(14.5%)	\$ 51,651	\$ 54,733	\$ (3,082)	(5.6%)
Gross Revenue	\$ 5,736	\$ 6,522	\$ (787)	(12.1%)	\$ 58,695	\$ 62,385	\$ (3,689)	(5.9%)
Adj. to Gross Revenue	(0)	(2)	2	(96.4%)	16	(24)	41	(166.6%)
Net Revenue	5,736	6,520	(784)	(12.0%)	58,712	62,360	(3,649)	(5.9%)
Material	4,828	5,782	(954)	(16.5%)	49,082	54,552	(5,470)	(10.0%)
Labor	157	180	(23)	(13.0%)	1,493	1,678	(185)	(11.0%)
Other COGS	502	537	(36)	(6.6%)	4,717	5,132	(415)	(8.1%)
Total COGS	5,486	6,500	(1,013)	(15.6%)	55,292	61,362	(6,070)	(9.9%)
Gross Margin	249	21	229	1116.2%	3,420	999	2,421	242.4%
Gross Margin %	4.3%	0.3%			5.8%	1.6%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	10	14	(4)	(27.7%)	133	136	(3)	(2.2%)
Administrative	153	147	6	4.3%	1,456	1,490	(35)	(2.3%)
Other Opex	(27)	—	(27)	N/A	(225)	—	(225)	N/A
Total Opex	137	161	(24)	(15.0%)	1,364	1,627	(263)	(16.2%)
EBITDA	113	(140)	253	(180.2%)	2,056	(628)	2,684	(427.6%)
EBITDA %	2.0%	(2.2%)			3.5%	(1.0%)		
Net Income (Loss)	\$ 54	\$ (202)	\$ 256	(126.6%)	\$ 1,492	\$ (1,244)	\$ 2,736	(220.0%)
Capex	\$ (126)	\$ (33)	\$ (93)	281.8%	\$ (237)	\$ (535)	\$ 298	(55.7%)
Opex Overview:								
Payroll	\$ 47	\$ 47	\$ (1)	(1.6%)	\$ 460	\$ 472	\$ (12)	(2.5%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	(1)	1	(2)	(164.7%)	3	11	(8)	(75.2%)
Marketing	—	—	—	N/A	—	—	—	N/A
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	0	—	0	N/A	11	6	5	77.9%
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	7	6	2	29.2%	59	58	1	1.5%
Professional fees	—	—	—	N/A	1	—	1	N/A
Utilities, repair, maintenance, and	1	1	(0)	(3.8%)	10	18	(8)	(44.7%)
Corporate OH Fees	108	106	3	2.8%	1,040	1,060	(20)	(1.9%)
Bad Debts	—	—	—	N/A	—	—	—	N/A
FX	(27)	—	(27)	N/A	(225)	—	(225)	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	0	—	0	N/A	4	1	3	303.5%
Total Opex	\$ 137	\$ 161	\$ (24)	(15.0%)	\$ 1,364	\$ 1,627	\$ (263)	(16.2%)

Management Discussion

Net Revenue – Oct-19: (\$784K)

- Sales volume down 10.8% or \$702k mainly driven by decreased demand from affiliate customers 12.9% or \$826k (Everett -36.7% or \$346k; Delmont -15.4% or \$243k; Woodbridge -6.4% or \$171k and Laval -3.8% or \$66k); offset by increased external customers demand +6.7% or \$124k (Nuform & The Vinyl Company)
- Unfavorable price/mix of \$29K driven by customer mix (mainly decreased volume from Everett)
- Unfavorable F/X of \$55k (actual rate of 1.3190 [or \$USD 0.7582] vs. 1.30 [or \$USD 0.7692])

EBITDA – Oct-19: +\$253K

- Material COGS:** Decrease in costs by \$954k due to decreased sales volume \$604k, improved scrap utilization & MUV \$25k, lower resin prices \$242k & additive prices \$37k and favorable F/X of \$83k; offset by increased TiO2 pricing \$37k
- Labor COGS:** Decrease in cost by \$23k driven by lower headcount due to lower production volumes (10.4%).
- Other COGS:** Decrease in cost by \$36k primarily driven by favorable freight expenses \$83k (lower volume, new PDI contract, trackmobile repairs) and gain on forklift sale \$16k; offset by increased utilities \$45k (no longer class A customer) and increased maintenance costs \$18k (timing of projects being completed).
- Sales and Marketing:** In line with budget
- Administrative:** In line with budget
- Other Opex:** Decrease in cost by \$27k driven by favorable F/X revaluation of working capital balances

Full Year ECS P&L Summary

\$'000		FY		Var		PY	Var	
		Fcst	Bud	\$	%	Act	\$	%
Units Produced ('000)		96,142	101,346	(5,204)	(5.1%)	106,695	(10,553)	(9.9%)
Units Shipped ('000)		96,263	101,346	(5,083)	(5.0%)	106,807	(10,543)	(9.9%)
Bookings (\$'000)		\$ 8,114	\$ 8,827	\$ (713)	(8.1%)	\$ 7,907	\$ 208	2.6%
Backlog ('\$000)		\$ 181	\$ 181	\$ –	0.0%	\$ 119	\$ 61	51.5%
	External Revenue	\$ 8,244	\$ 7,697	\$ 547	7.1%	\$ 8,388	\$ (144)	(1.7%)
	Affiliate Revenue	\$ 60,490	\$ 59,301	\$ 1,189	2.0%	\$ 68,481	\$ (7,990)	(11.7%)
Gross Revenue		\$ 68,735	\$ 72,424	\$ (3,689)	(5.1%)	\$ 76,869	\$ (8,134)	(10.6%)
Adj. to Gross Revenue		13	(28)	41	(146.3%)	(14)	27	(189.6%)
Net Revenue		68,747	72,396	(3,649)	(5.0%)	76,854	(8,107)	(10.5%)
Material		57,818	63,287	(5,470)	(8.6%)	60,763	(2,945)	(4.8%)
Labor		1,824	2,009	(185)	(9.2%)	1,880	(56)	(3.0%)
Other COGS		5,617	6,032	(415)	(6.9%)	5,926	(309)	(5.2%)
Total COGS		65,258	71,328	(6,070)	(8.5%)	68,569	(3,310)	(4.8%)
Gross Margin		3,489	1,068	2,421	226.7%	8,286	(4,797)	(57.9%)
Gross Margin %		5.1%	1.5%			10.8%		
R&D		–	–	–	N/A	–	–	N/A
Sales & Marketing		160	163	(3)	(1.9%)	156	4	2.4%
Administrative		1,747	1,782	(35)	(2.0%)	1,765	(18)	(1.0%)
Other Opex		(225)	–	(225)	N/A	369	(594)	(161.0%)
Total Opex		1,682	1,945	(263)	(13.5%)	2,290	(608)	(26.5%)
EBITDA		1,807	(877)	2,684	(306.1%)	5,996	(4,189)	(69.9%)
EBITDA %		2.6%	(1.2%)			7.8%		
Net Income (Loss)		\$ 1,120	\$ (1,616)	\$ 2,736	(169.3%)	\$ 5,305	\$ (4,186)	(78.9%)
Capex		\$ (237)	\$ (601)	\$ 364	(60.6%)	\$ (600)	\$ 363	(60.5%)
Opex Overview:								
Payroll		\$ 550	\$ 562	\$ (12)	(2.1%)	\$ 550	\$ 0	0.0%
Bonus		–	–	–	N/A	–	–	N/A
Commissions		5	13	(8)	(63.4%)	1	4	471.3%
Marketing		1	1	–	0.0%	–	1	N/A
Benefits		–	–	–	N/A	–	–	N/A
Travel and entertainment		14	9	5	54.5%	9	5	61.8%
Rent and facilities		–	–	–	N/A	–	–	N/A
Insurance		70	69	1	1.2%	68	3	3.9%
Professional fees		1	(0)	1	(415.8%)	–	1	N/A
Utilities, repair, maintenance, and security		12	20	(8)	(40.4%)	18	(6)	(34.5%)
Corporate OH Fees		1,251	1,271	(20)	(1.6%)	1,276	(25)	(2.0%)
Bad Debts		–	–	–	N/A	3	(3)	(100.0%)
FX		(225)	–	(225)	N/A	369	(594)	(161.0%)
JV Loss (Income)		–	–	–	N/A	–	–	N/A
Other Expenses		4	1	3	426.2%	0	4	8995.0%
Total Opex		\$ 1,682	\$ 1,945	\$ (263)	(13.5%)	\$ 2,293	\$ (611)	(26.6%)

Full Year ECS P&L Summary

\$'000		FY		Var		PY		Var	
		Fcst	Bud	\$	%	Act	\$	%	
Units Produced ('000)		96,142	101,346	(5,204)	(5.1%)	106,695	(10,553)	(9.9%)	
Units Shipped ('000)		96,263	101,346	(5,083)	(5.0%)	106,807	(10,543)	(9.9%)	
Bookings (\$'000)		\$ 8,114	\$ 8,827	\$ (713)	(8.1%)	\$ 7,907	\$ 208	2.6%	
Backlog ('\$000)		\$ 181	\$ 181	\$ –	0.0%	\$ 119	\$ 61	51.5%	
	External Revenue	\$ 8,244	\$ 7,697	\$ 547	7.1%	\$ 8,388	\$ (144)	(1.7%)	
	Affiliate Revenue	\$ 60,490	\$ 59,301	\$ 1,189	2.0%	\$ 68,481	\$ (7,990)	(11.7%)	
Gross Revenue		\$ 68,735	\$ 72,424	\$ (3,689)	(5.1%)	\$ 76,869	\$ (8,134)	(10.6%)	
Adj. to Gross Revenue		13	(28)	41	(146.3%)	(14)	27	(189.6%)	
Net Revenue		68,747	72,396	(3,649)	(5.0%)	76,854	(8,107)	(10.5%)	
Material		57,818	63,287	(5,470)	(8.6%)	60,763	(2,945)	(4.8%)	
Labor		1,824	2,009	(185)	(9.2%)	1,880	(56)	(3.0%)	
Other COGS		5,617	6,032	(415)	(6.9%)	5,926	(309)	(5.2%)	
Total COGS		65,258	71,328	(6,070)	(8.5%)	68,569	(3,310)	(4.8%)	
Gross Margin		3,489	1,068	2,421	226.7%	8,286	(4,797)	(57.9%)	
Gross Margin %		5.1%	1.5%			10.8%			
R&D		–	–	–	N/A	–	–	N/A	
Sales & Marketing		160	163	(3)	(1.9%)	156	4	2.4%	
Administrative		1,747	1,782	(35)	(2.0%)	1,765	(18)	(1.0%)	
Other Opex		(225)	–	(225)	N/A	369	(594)	(161.0%)	
Total Opex		1,682	1,945	(263)	(13.5%)	2,290	(608)	(26.5%)	
EBITDA		1,807	(877)	2,684	(306.1%)	5,996	(4,189)	(69.9%)	
EBITDA %		2.6%	(1.2%)			7.8%			
Net Income (Loss)		\$ 1,120	\$ (1,616)	\$ 2,736	(169.3%)	\$ 5,305	\$ (4,186)	(78.9%)	
Capex		\$ (237)	\$ (601)	\$ 364	(60.6%)	\$ (600)	\$ 363	(60.5%)	
Opex Overview:									
Payroll		\$ 550	\$ 562	\$ (12)	(2.1%)	\$ 550	\$ 0	0.0%	
Bonus		–	–	–	N/A	–	–	N/A	
Commissions		5	13	(8)	(63.4%)	1	4	471.3%	
Marketing		1	1	–	0.0%	–	1	N/A	
Benefits		–	–	–	N/A	–	–	N/A	
Travel and entertainment		14	9	5	54.5%	9	5	61.8%	
Rent and facilities		–	–	–	N/A	–	–	N/A	
Insurance		70	69	1	1.2%	68	3	3.9%	
Professional fees		1	(0)	1	(415.8%)	–	1	N/A	
Utilities, repair, maintenance, and security		12	20	(8)	(40.4%)	18	(6)	(34.5%)	
Corporate OH Fees		1,251	1,271	(20)	(1.6%)	1,276	(25)	(2.0%)	
Bad Debts		–	–	–	N/A	3	(3)	(100.0%)	
FX		(225)	–	(225)	N/A	369	(594)	(161.0%)	
JV Loss (Income)		–	–	–	N/A	–	–	N/A	
Other Expenses		4	1	3	426.2%	0	4	8995.0%	
Total Opex		\$ 1,682	\$ 1,945	\$ (263)	(13.5%)	\$ 2,293	\$ (611)	(26.6%)	

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	BPs	%	Act	BPs	%	Act	Bud	BPs	%	Act	BPs	%										
Customer:																																						
Vinyl Profiles, LLC	\$	311	\$	355	\$	(44)	(12.4%)	\$	101	\$	210	208.9%	\$	2,390	\$	3,313	\$	(923)	(27.9%)	\$	1,832	\$	558	30.4%	17.6%	20.7%	(310)	(15.0%)	18.0%	(36)	(2.0%)	32.0%	49.5%	(1,751)	(35.4%)	11.8%	2,020	171.2%
Nuform Building Technologies Inc		242		146		96	65.7%		259		(17)	(6.6%)		1,521		1,385		136	9.8%		2,568		(1,047)	(40.8%)	28.3%	27.8%	48	1.7%	20.7%	756	36.5%	17.1%	11.6%	550	47.2%	27.2%	(1,002)	(36.9%)
The Vinyl Company Inc.		150		101		49	48.0%		150		0	0.2%		1,151		943		207	22.0%		1,603		(452)	(28.2%)	16.2%	17.9%	(172)	(9.6%)	27.1%	(1,092)	(40.3%)	15.4%	17.9%	(247)	(13.8%)	26.9%	(1,142)	(42.5%)
Vinylume Products Inc		65		63		2	3.4%		63		2	3.9%		556		571		(15)	(2.7%)		594		(38)	(6.4%)	21.6%	21.3%	35	1.6%	19.6%	202	10.3%	24.0%	21.3%	272	12.8%	20.5%	349	17.0%
Accord Plastics Corp.		25		48		(23)	(48.0%)		78		(53)	(68.0%)		522		505		17	3.4%		245		277	113.3%	17.6%	19.4%	(182)	(9.4%)	19.1%	(147)	(7.7%)	18.3%	19.4%	(112)	(5.8%)	13.9%	440	31.7%
Window Seal Limited		–		44		(44)	(100.0%)		6		(6)	(100.0%)		117		400		(283)	(70.7%)		13		104	811.5%	6.7%	10.9%	(421)	(38.6%)	33.5%	(2,681)	(80.0%)	30.4%	113.5%	(8,317)	(73.2%)	6.4%	2,402	377.9%
New Customers (L.B. Plastics)		–		44		(44)	(100.0%)		12		(12)	(100.0%)		–		355		(355)	(100.0%)		106		(106)	(100.0%)	#DIV/0!	10.9%	–	#VALUE!	30.1%	NA	#VALUE!	0.0%	35.8%	(3,581)	(100.0%)	73.2%	(7,316)	(100.0%)
Prasad Plastics Limited		–		–		–	N/A		–		–	N/A		42		101		(59)	(58.5%)		36		6	15.6%	20.0%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	9.6%	#DIV/0!	–	#DIV/0!	161.9%	(15,236)	(94.1%)
Superior Extrusions Ltd		9		3		6	232.5%		2		7	380.6%		44		38		6	17.1%		37		7	19.4%	#DIV/0!	31.3%	–	#VALUE!	51.9%	NA	#VALUE!	#DIV/0!	3.4%	–	#VALUE!	9.0%	NA	#VALUE!
Vytron Corporation		–		4		(4)	(100.0%)		–		–	N/A		13		17		(4)	(23.8%)		29		(16)	(55.0%)	#DIV/0!	28.6%	–	#VALUE!	#DIV/0!	NA	#DIV/0!	19.0%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Plastibec Ltee		–		–		–	N/A		–		–	N/A		6		–		6	N/A		6		(0)	(5.3%)	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	4.6%	#DIV/0!	–	#DIV/0!	7.7%	(316)	(40.9%)
Vinyl Profiles (2011)		12		–		12	N/A		–		12	N/A		90		–		90	N/A		6		84	1457.3%	23.6%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	17.5%	0.0%	1,753	N/A	33.5%	(1,596)	(47.6%)
Fence Outlet MDC, LLC		–		–		–	N/A		–		–	N/A		21		–		21	N/A		–		21	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	30.8%	0.0%	3,077	N/A	(10.6%)	4,134	(391.2%)
INFINITY EXTRUSIONS INC.		25		–		25	N/A		–		25	N/A		100		–		100	N/A		20		80	408.1%	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	191.7%	#DIV/0!	–	#DIV/0!	42.9%	14,879	347.0%
Resin Technology, LLC		–		–		–	N/A		–		–	N/A		328		–		328	N/A		–		328	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	52.4%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
0		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A	#DIV/0!	58.6%	–	#VALUE!	0.0%	NA	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
0		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A	#DIV/0!	58.6%	–	#VALUE!	0.0%	NA	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
0		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A	#DIV/0!	58.6%	–	#VALUE!	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!	58.6%	–	#VALUE!	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!	58.6%	–	#VALUE!	0.0%	NA	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Other		4,897		5,713		(817)	(14.3%)		5,043		(146)	(2.9%)		51,796		54,757		(2,961)	(5.4%)		59,631		(7,836)	(13.1%)	1.5%	(2.6%)	402	(157.0%)	8.8%	(735)	(83.4%)	3.7%	(1.0%)	470	(474.5%)	9.7%	(602)	(61.9%)
Total Gross	\$	5,736	\$	6,522	\$	(787)	(12.1%)	\$	5,713	\$	23	0.4%	\$	58,695	\$	62,385	\$	(3,689)	(5.9%)	\$	66,725	\$	(8,029)	(12.0%)	4.3%	0.3%	403	1283.0%	10.3%	(598)	(57.9%)	5.9%	1.7%	423	253.2%	10.9%	(498)	(45.8%)

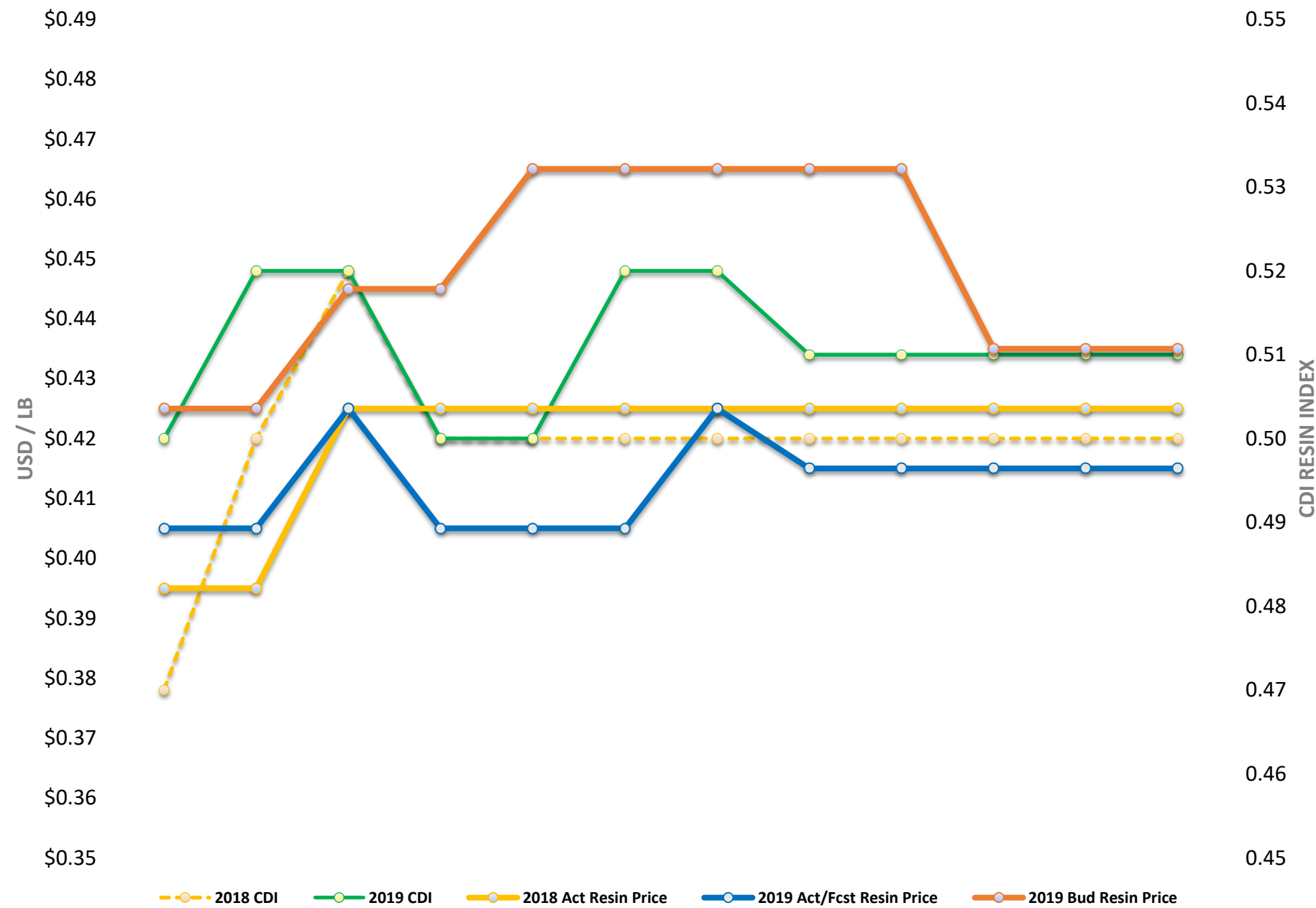
Management Discussion

- Vinyl Profiles – Market conditions impacting sales. However, 30% improvement in YTD vs PY.

ECS Material Cost Summary

US \$'000	Q1 19 Act	Q2 19 Act	Q3 19 Act	Oct-19 Act	Q1 19 AOP	Q2 19 AOP	Q3 19 AOP	Oct-19 AOP	Q1 19 Actual-AOP	Q2 19 Actual-AOP	Q3 19 Actual-AOP	Oct-19 Actual-AOP
Sales												
Total Sales - Non-Patio & Doors - S'000	\$ 16,703	\$ 18,048	\$ 16,703	\$ 5,736	\$ 16,905	\$ 19,655	\$ 19,280	\$ 6,520	\$ (202)	\$ (1,608)	\$ (1,055)	\$ (784)
Total Sales - Non-Patio & Doors - Lbs	\$ 23,377	24,962	23,377	8,137	23,685	27,496	26,979	9,119	(309)	(2,534)	(1,258)	(981)
Materials - units/Non-Patio & Doors - Lbs	\$ -	\$ -	\$ -		-	-	-		-	-	-	
ADDITIVE	0.0135	0.0115	0.0135	0.0035	1.4%	1.4%	1.4%	0.5%	\$ (0.0001)	\$ (0.0021)	\$ (0.0020)	\$ (0.0010)
ADDITIVE (IMPACT MODIFIER)	0.1127	0.1106	0.1127	0.0362	10.9%	10.9%	10.9%	3.6%	\$ 0.0033	\$ 0.0011	\$ (0.0027)	\$ (0.0003)
ADDITIVE (PROCESSING AID)	0.0201	0.0187	0.0201	0.0057	1.9%	1.9%	1.9%	0.6%	\$ 0.0008	\$ (0.0006)	\$ (0.0011)	\$ (0.0007)
FILLER	0.1699	0.1699	0.1699	0.0607	17.0%	17.0%	17.0%	5.7%	\$ 0.0003	\$ 0.0003	\$ 0.0125	\$ 0.0042
LUBRICANT	0.0694	0.0669	0.0694	0.0216	6.6%	6.6%	6.6%	2.2%	\$ 0.0036	\$ 0.0011	\$ 0.0003	\$ (0.0003)
PIGMENT - C	-	0.0002	-	-	0.0%	0.0%	0.0%	0.0%	\$ (0.0004)	\$ (0.0002)	\$ (0.0004)	\$ (0.0001)
PIGMENT - G	0.0114	0.0100	0.0114	0.0028	1.1%	1.1%	1.1%	0.4%	\$ -	\$ -	\$ -	
PIGMENT - HC	0.0042	0.0033	0.0042	0.0012	0.4%	0.4%	0.4%	0.1%	\$ -	\$ -	\$ -	
PIGMENT - PC	0.0004	0.0005	0.0004	0.0004	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -	\$ -	
PKG	-	-	-		0.0%	0.0%	0.0%		\$ -	\$ -	\$ -	
PLASTICIZER	0.0109	0.0094	0.0109	0.0045	1.1%	1.1%	1.1%	0.4%	\$ (0.0005)	\$ (0.0019)	\$ 0.0020	\$ 0.0007
RESIN	2.3212	2.3418	2.3212	0.7780	233.0%	233.0%	233.0%	77.7%	\$ (0.0090)	\$ 0.0117	\$ 0.0088	\$ 0.0013
STABILIZER	0.0376	0.0356	0.0376	0.0119	3.7%	3.7%	3.7%	1.2%	\$ 0.0009	\$ (0.0011)	\$ (0.0006)	\$ (0.0004)
TIO2	0.2282	0.2201	0.2282	0.0728	22.6%	22.6%	22.6%	7.5%	\$ 0.0020	\$ (0.0060)	\$ (0.0148)	\$ (0.0026)
Material Other	-	-	-		0.0%	0.0%	0.0%	0.0%	\$ -	\$ -	\$ -	\$ -
	-	-	-		-	-	-		\$ -	\$ -	\$ -	
Materials - \$'000	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
ADDITIVE	\$ 382	\$ 346	\$ 382	\$ 102	\$ 379	\$ 446	\$ 443	\$ 152	\$ 3	\$ (100)	\$ (80)	\$ (49)
ADDITIVE (IMPACT MODIFIER)	\$ 1,436	\$ 1,410	\$ 1,436	\$ 431	\$ 1,439	\$ 1,670	\$ 1,639	\$ 554	\$ (3)	\$ (260)	\$ (285)	\$ (123)
ADDITIVE (PROCESSING AID)	\$ 264	\$ 240	\$ 264	\$ 69	\$ 259	\$ 301	\$ 295	\$ 100	\$ 5	\$ (60)	\$ (61)	\$ (31)
FILLER	\$ 260	\$ 293	\$ 260	\$ 106	\$ 276	\$ 328	\$ 322	\$ 109	\$ (15)	\$ (35)	\$ 9	\$ (3)
LUBRICANT	\$ 498	\$ 517	\$ 498	\$ 163	\$ 485	\$ 563	\$ 552	\$ 187	\$ 13	\$ (46)	\$ (34)	\$ (23)
PIGMENT - C	\$ -	\$ 4	\$ -	\$ -	\$ 8	\$ 9	\$ 9	\$ 3	\$ (8)	\$ (5)	\$ (9)	\$ (3)
PIGMENT - G	\$ 269	\$ 244	\$ 269	\$ 67	\$ 273	\$ 317	\$ 311	\$ 105	\$ (4)	\$ (73)	\$ (100)	\$ (38)
PIGMENT - HC	\$ 180	\$ 153	\$ 180	\$ 54	\$ 189	\$ 220	\$ 215	\$ 73	\$ (9)	\$ (67)	\$ (51)	\$ (19)
PIGMENT - PC	\$ 25	\$ 29	\$ 25	\$ 15	\$ 24	\$ 28	\$ 28	\$ 9	\$ 1	\$ 0	\$ 4	\$ 6
PKG	\$ -	\$ -	\$ -	\$ -	\$ 99	\$ 90	\$ 89	\$ 25	\$ (99)	\$ (90)	\$ (89)	\$ (25)
PLASTICIZER	\$ 75	\$ 68	\$ 75	\$ 31	\$ 81	\$ 93	\$ 92	\$ 31	\$ (6)	\$ (26)	\$ 7	\$ 0
RESIN	\$ 7,465	\$ 8,065	\$ 7,465	\$ 2,630	\$ 8,172	\$ 9,908	\$ 9,857	\$ 3,119	\$ (706)	\$ (1,843)	\$ (1,457)	\$ (489)
STABILIZER	\$ 997	\$ 1,025	\$ 997	\$ 307	\$ 961	\$ 1,116	\$ 1,095	\$ 370	\$ 36	\$ (91)	\$ (89)	\$ (64)
TIO2	\$ 2,513	\$ 2,627	\$ 2,513	\$ 855	\$ 2,557	\$ 3,009	\$ 2,953	\$ 998	\$ (43)	\$ (383)	\$ (344)	\$ (144)
Scrap	\$ 95	\$ 76	\$ 95	\$ 42	\$ -	\$ -	\$ -	\$ -	\$ 95	\$ 76	\$ 75	\$ 42
BOM Scrap (not in P&L and 2019 AOP)	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
PIP Savings	\$ (8)	\$ (12)	\$ (8)	\$ (2)	\$ (62)	\$ (49)	\$ (49)	\$ (18)	\$ 54	\$ 37	\$ 47	\$ 16
Kronos Rebates (\$0.075/lb/0.065)	\$ (137)	\$ (113)	\$ (137)	\$ (44)	\$ (134)	\$ (155)	\$ (153)	\$ (52)	\$ (3)	\$ 42	\$ 62	\$ 8
Resin Rebate & Discount	\$ (228)	\$ (196)	\$ (228)	\$ (95)	\$ (244)	\$ (292)	\$ (302)	\$ (93)	\$ 16	\$ 96	\$ 26	\$ (2)
Amortization Timing	\$ 126	\$ 28	\$ 126	\$ 34	\$ (178)	\$ (272)	\$ 38	\$ 183	\$ 304	\$ 300	\$ (66)	\$ (149)
Packaging	\$ 84	\$ 68	\$ 84	\$ 34	\$ 84	\$ 83	\$ 108	\$ 29	\$ -	\$ (15)	\$ (23)	\$ 5
Material Other	\$ (3)	\$ (87)	\$ (3)	\$ 14	\$ (232)	\$ (223)	\$ (398)	\$ (102)	\$ 229	\$ 136	\$ 497	\$ 116
Total Material Costs	\$ 14,294	\$ 14,785	\$ 14,294	\$ 4,814	\$ 14,436	\$ 17,190	\$ 17,145	\$ 5,782	\$ (142)	\$ (2,405)	\$ (1,961)	\$ (968)

Historical Resin Price Chart



Key Performance Indicators - ECS

ENERGI Compound Solutions	2019 Targets	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	YTD 2019
Health & Safety												
Recordable(effects TRIR)	0	0	0	0	0	0	0	0	0	0	0	0
Near Misses	2	0	0	0	0	0	0	0	0	0	0	0
Environmental												
Recordable(effects TRIR)	0	0	0	0	0	0	0	0	0	0	0	0
Near Misses	2	0	1	0	0	0	0	0	0	0	0	1
Quality Performance												
Concerns per million Good Lbs	0.3	0.3	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.3		0.1
Return as % of sales (%)	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	0.0%	0.0%
Delivery Performance												
% on time	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Material Cost												
Yield	99%	100%	100%	100%	100%	100%	100%	100%	99%	100%	99%	100%
Production Scrap	1.00%	0.5%	0.4%	0.2%	0.2%	0.1%	0.5%	0.4%	0.54%	0	0	0%
Total Material Usage Variance	2.00%	0.7%	0.7%	0.4%	0.5%	0	(0)	(0)	0	0	0	1%
Direct Labour \$/lb produced	0.009	0.009	0.008	0.007	0.008	0.009	0.005	0.008	0.007	0.008	0.008	0.008
Indirect Labour (incl D&D) \$/lb produced	0.017	0.020	0.018	0.015	0.018	0.018	0.014	0.014	0.012	0.013	0.018	0.016
Inventory												
Days - TTM (Trailing 12 Months)	46	50	49	42	41	32	31	43	42	42	42	41
Freight												
Freight \$ as % of net sales	3.9%	3.2%	3.6%	4.0%	4.1%	3.2%	3.4%	2.7%	3.5%	4.1%	3.3%	3.5%

COMMENTS:

Labour: Overtime costs related to repair and maintenance activity

Full Year ECS P&L Summary

\$'000	FY		Var		PY	Var	
	Fcst	Bud	\$	%		\$	%
Units Produced ('000)	96,142	101,346	(5,204)	(5.1%)	106,695	(10,553)	(9.9%)
Units Shipped ('000)	96,263	101,346	(5,083)	(5.0%)	106,807	(10,543)	(9.9%)
Bookings (\$'000)	\$ 8,114	\$ 8,827	\$ (713)	(8.1%)	\$ 7,907	\$ 208	2.6%
Backlog ('\$000)	\$ 181	\$ 181	\$ –	0.0%	\$ 119	\$ 61	51.5%
External Revenue	\$ 8,244	\$ 7,697	\$ 547	7.1%	\$ 8,388	\$ (144)	(1.7%)
	\$ 60,490	\$ 59,301	\$ 1,189	2.0%	\$ 68,481	\$ (7,990)	(11.7%)
Gross Revenue	\$ 68,735	\$ 72,424	\$ (3,689)	(5.1%)	\$ 76,869	\$ (8,134)	(10.6%)
Adj. to Gross Revenue	13	(28)	41	(146.3%)	(14)	27	(189.6%)
Net Revenue	68,747	72,396	(3,649)	(5.0%)	76,854	(8,107)	(10.5%)
Material	57,818	63,287	(5,470)	(8.6%)	60,763	(2,945)	(4.8%)
Labor	1,824	2,009	(185)	(9.2%)	1,880	(56)	(3.0%)
Other COGS	5,617	6,032	(415)	(6.9%)	5,926	(309)	(5.2%)
Total COGS	65,258	71,328	(6,070)	(8.5%)	68,569	(3,310)	(4.8%)
Gross Margin	3,489	1,068	2,421	226.7%	8,286	(4,797)	(57.9%)
Gross Margin %	5.1%	1.5%			10.8%		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	160	163	(3)	(1.9%)	156	4	2.4%
Administrative	1,747	1,782	(35)	(2.0%)	1,765	(18)	(1.0%)
Other Opex	(225)	–	(225)	N/A	369	(594)	(161.0%)
Total Opex	1,682	1,945	(263)	(13.5%)	2,290	(608)	(26.5%)
EBITDA	1,807	(877)	2,684	(306.1%)	5,996	(4,189)	(69.9%)
EBITDA %	2.6%	(1.2%)			7.8%		
Net Income (Loss)	\$ 1,120	\$ (1,616)	\$ 2,736	(169.3%)	\$ 5,305	\$ (4,186)	(78.9%)
Capex	\$ (237)	\$ (601)	\$ 364	(60.6%)	\$ (600)	\$ 363	(60.5%)
Opex Overview:							
Payroll	\$ 550	\$ 562	\$ (12)	(2.1%)	\$ 550	\$ 0	0.0%
Bonus	–	–	–	N/A	–	–	N/A
Commissions	5	13	(8)	(63.4%)	1	4	471.3%
Marketing	1	1	–	0.0%	–	1	N/A
Benefits	–	–	–	N/A	–	–	N/A
Travel and entertainment	14	9	5	54.5%	9	5	61.8%
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	70	69	1	1.2%	68	3	3.9%
Professional fees	1	(0)	1	(415.8%)	–	1	N/A
Utilities, repair, maintenance, and security	12	20	(8)	(40.4%)	18	(6)	(34.5%)
Corporate OH Fees	1,251	1,271	(20)	(1.6%)	1,276	(25)	(2.0%)
Bad Debts	–	–	–	N/A	3	(3)	(100.0%)
FX	(225)	–	(225)	N/A	369	(594)	(161.0%)
JV Loss (Income)	–	–	–	N/A	–	–	N/A
Other Expenses	4	1	3	426.2%	0	4	8995.0%
Total Opex	\$ 1,682	\$ 1,945	\$ (263)	(13.5%)	\$ 2,293	\$ (611)	(26.6%)

Key Customers – Full Year ECS

	Gross Sales (\$'000)									Gross Margin %										
	FY		FY		Var		PY		Var		FY		FY		Var		PY		Var	
	Fcst	Bud	\$	%	Act	\$	%	Act	\$	%	Fcst	Bud	BPs	%	Act	BPs	%	Act	BPs	%
Customer:																				
Vinyl Profiles, LLC	\$	2,903	\$	3,826	\$	(923)	(24.1%)	\$	1,961	\$	942	48.1%	33.3%	49.6%	(1,629)	(32.9%)	16.2%	1,705	105.0%	
Nuform Building Technologies Inc		1,732		1,596		136	8.5%		2,950		(1,219)	(41.3%)	16.6%	11.6%	493	42.4%	20.0%	(343)	(17.2%)	
The Vinyl Company Inc.		1,307		1,099		207	18.9%		1,834		(527)	(28.7%)	15.6%	17.9%	(230)	(12.9%)	27.0%	(1,142)	(42.2%)	
Vinylume Products Inc		634		650		(15)	(2.4%)		688		(54)	(7.8%)	23.8%	21.3%	253	11.9%	20.7%	309	14.9%	
Accord Plastics Corp.		610		593		17	2.9%		378		232	61.5%	18.4%	19.4%	(103)	(5.3%)	16.1%	232	14.4%	
Window Seal Limited		191		474		(283)	(59.7%)		17		174	1047.8%	40.6%	124.7%	(8,409)	(67.4%)	27.9%	1,265	45.3%	
New Customers (L.B. Plastics)		67		422		(355)	(84.2%)		113		(47)	(41.1%)	7.8%	37.6%	(2,987)	(79.4%)	26.8%	(1,900)	(71.0%)	
Prasad Plastics Limited		51		111		(59)	(53.5%)		36		15	41.8%	11.1%	#DIV/0! –		#DIV/0!	25.7%	(1,462)	(56.9%)	
Superior Extrusions Ltd		44		38		6	17.1%		46		(2)	(3.7%)	33.0%	3.1%	2,994	967.2%	25.5%	751	29.4%	
Vytron Corporation		13		17		(4)	(23.8%)		29		(16)	(55.0%)	19.0%	#DIV/0! –		#DIV/0!	41.6%	(2,255)	(54.2%)	
Plastibec Ltee		6		–		6	N/A		6		(0)	(5.3%)	4.6%	#DIV/0! –		#DIV/0!	24.0%	(1,943)	(81.0%)	
Vinyl Profiles (2011)		90		–		90	N/A		6		84	1457.3%	13.3%	0.0%	1,332	N/A	57.5%	(4,418)	(76.8%)	
Fence Outlet MDC, LLC		21		–		21	N/A		–		21	N/A	30.8%	0.0%	3,077	N/A	#DIV/0!	NA	#DIV/0!	
INFINITY EXTRUSIONS INC.		100		–		100	N/A		20		80	408.1%	191.7%	#DIV/0! –		#DIV/0!	13.8%	17,785	1287.7%	
Resin Technology, LLC		328		–		328	N/A		–		328	N/A	52.4%	#DIV/0! –		#DIV/0!	#DIV/0!	NA	#DIV/0!	
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	
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		60,638		63,600		(2,961)	(4.7%)		68,786		(8,148)	(11.8%)	3.2%	(1.1%)	431	(403.5%)	9.6%	(636)	(66.2%)	
Total Gross	\$	68,735	\$	72,424	\$	(3,689)	(5.1%)	\$	76,869	\$	(8,134)	(10.6%)	5.5%	1.6%	388	243.2%	10.8%	(531)	(49.2%)	

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	\$ –	\$ 17	\$ (17)	(100.0%)	\$ –	\$ 137	\$ (137)	(100.0%)
Adj. to Gross Revenue	8	–	8	N/A	0	–	0	N/A
Net Revenue	8	17	(9)	(51.1%)	0	137	(137)	(100.0%)
Material	(42)	–	(42)	N/A	240	600	(360)	(60.0%)
Labor	102	103	(1)	(0.8%)	1,018	1,030	(12)	(1.1%)
Other COGS	92	92	0	0.4%	880	920	(40)	(4.4%)
Total COGS	153	195	(42)	(21.6%)	2,138	2,550	(412)	(16.1%)
Gross Margin	(144)	(178)	33	(18.8%)	(2,138)	(2,413)	275	(11.4%)
Gross Margin %	(1042.6%)				(1758.1%)			
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	332	315	17	5.3%	3,165	3,297	(132)	(4.0%)
Administrative	(398)	(327)	(72)	21.9%	(3,951)	(3,484)	(467)	13.4%
Other Opex	(6)	–	(6)	N/A	32	–	32	N/A
Total Opex	(73)	(12)	(61)	512.2%	(754)	(187)	(567)	303.2%
EBITDA	(71)	(166)	95	(57.1%)	(1,384)	(2,226)	841	(37.8%)
EBITDA %	(972.5%)				(1621.9%)			
Net Income (Loss)	\$ (536)	\$ (715)	\$ 179	(25.0%)	\$ (5,530)	\$ (7,971)	\$ 2,441	(30.6%)
Capex	\$ (11)	\$ (285)	\$ 274	(96.1%)	\$ (32)	\$ (2,136)	\$ 2,104	(98.5%)
Opex Overview:								
Payroll	\$ 428	\$ 483	\$ (55)	(11.3%)	\$ 4,390	\$ 4,575	\$ (184)	(4.0%)
Bonus	113	113	(1)	(0.7%)	1,122	1,134	(12)	(1.0%)
Commissions	21	29	(7)	(25.5%)	206	288	(82)	(28.6%)
Marketing	85	25	60	243.6%	462	466	(4)	(0.9%)
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	83	123	(40)	(32.5%)	848	1,263	(414)	(32.8%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	–	–	–	N/A	–	–	–	N/A
Professional fees	47	35	12	33.7%	386	374	12	3.1%
Office Expense	4	7	(3)	(43.5%)	40	39	1	1.6%
IT	136	157	(22)	(13.9%)	1,350	1,513	(162)	(10.7%)
Bad Debts	–	–	–	N/A	126	–	126	N/A
FX	(6)	–	(6)	N/A	32	–	32	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	(984)	(985)	1	(0.1%)	(9,715)	(9,838)	123	(1.2%)
Total Opex	\$ (73)	\$ (12)	\$ (61)	512.2%	\$ (754)	\$ (187)	\$ (567)	303.2%

Management Discussion

EBITDA – Oct 2019: +\$95K

- **Gross Revenue:** Represents Consolidated price increase adjustment not achieved
- **Material COGS:** Favorable intercompany profit elimination as a result of lower intercompany inventory levels
- **Labor COGS:** in line
- **Other COGS:** in line
- **Sales & Marketing:** higher by \$17K largely due to marketing expenditure timing catchup of \$61K. Offset by lower Wages and commissions \$35K due to lower headcount and revision in commission estimate. In addition, Lower Travel and Entertainment by \$10K due to less travel by Sales staff.
- **Administrative:** lower by \$72K due to lower wages by \$27K, lower Travel costs by \$32K and lower IT costs by \$22K and misc office expenditure \$10K, offset by unfavorable FX on Corporate OH Recovery of \$9K and professional fee for IT and payroll consultants \$12K
- **Other Opex:** represents FX Loss on CAD/US Cash Transactions

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	\$ –	\$ –	N/A
Backlog (\$'000)	\$ –	\$ –	\$ –	N/A	\$ –	\$ –	N/A
Gross Revenue	\$ 27	\$ 164	\$ (137)	(83.4%)	\$ 0	\$ 27	17262.7%
Adj. to Gross Revenue	0	–	0	N/A	72	(72)	(100.0%)
Net Revenue	27	164	(137)	(83.4%)	72	(44)	(62.0%)
Material	(360)	–	(360)	N/A	(293)	(67)	22.8%
Labor	1,224	1,236	(12)	(1.0%)	159	1,065	669.9%
Other COGS	1,064	1,104	(40)	(3.6%)	802	262	32.7%
Total COGS	1,928	2,340	(412)	(17.6%)	668	1,260	188.7%
Gross Margin	(1,901)	(2,175)	275	(12.6%)	(596)	(1,305)	218.9%
Gross Margin %	(6966.0%)	(1322.6%)			(830.5%)		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	3,850	3,982	(132)	(3.3%)	3,842	8	0.2%
Administrative	(4,647)	(4,179)	(467)	11.2%	(6,735)	2,088	(31.0%)
Other Opex	32	–	32	N/A	134	(101)	(75.9%)
Total Opex	(765)	(198)	(567)	286.7%	(2,759)	1,994	(72.3%)
EBITDA	(1,136)	(1,978)	841	(42.5%)	2,163	(3,299)	(152.5%)
EBITDA %	(4163.9%)	(1202.4%)			3013.6%		
Net Income (Loss)	\$ (5,960)	\$ (8,401)	\$ 2,441	(29.1%)	\$ (3,324)	\$ (2,635)	79.3%
Capex	\$ (32)	\$ (2,706)	\$ 2,674	(98.8%)	\$ (366)	\$ 334	(91.3%)
Opex Overview:							
Payroll	\$ 5,293	\$ 5,478	\$ (184)	(3.4%)	\$ 5,077	\$ 216	4.3%
Bonus	1,349	1,361	(12)	(0.9%)	159	1,190	748.5%
Commissions	263	345	(82)	(23.8%)	186	77	41.5%
Marketing	590	594	(4)	(0.7%)	584	6	1.0%
Benefits	–	–	–	N/A	–	–	N/A
Travel and entertainment	1,094	1,509	(414)	(27.5%)	1,137	(43)	(3.8%)
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	–	–	–	N/A	2	(2)	(100.0%)
Professional fees	456	444	12	2.6%	395	60	15.2%
Office Expense	47	46	1	1.3%	53	(6)	(11.8%)
IT	1,668	1,830	(162)	(8.9%)	1,367	301	22.0%
Bad Debts	126	–	126	N/A	(58)	184	(316.4%)
FX	32	–	32	N/A	134	(101)	(75.9%)
JV Loss (Income)	–	–	–	N/A	–	–	N/A
Other Expenses	(11,682)	(11,805)	123	(1.0%)	(11,793)	111	(0.9%)
Total Opex	\$ (765)	\$ (198)	\$ (567)	286.7%	\$ (2,757)	\$ 1,992	(72.3%)

Plant Capacity Utilization

ENERGI Capacity Utilization: 2019

ENERGI Everett Monthly Capacity Utilization

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
*based on current plant speed and product mix												
Good lbs Produced(L)(lbs	1,444,542	1,111,051	1,414,685	1,361,135	1,398,525	1,391,248	1,016,473	1,555,970	1,502,025	1,507,000	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	60%	46%	59%	56%	58%	58%	42%	64%	62%	62%	0%	0%

ENERGI Delmont Monthly Capacity Utilization

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
*based on current plant speed and product mix												
Good lbs Produced(L)(lbs	1,809,686	1,765,002	1,904,176	1,699,937	1,649,127	1,753,097	1,944,109	1,874,721	1,774,185	1,982,729	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	57%	56%	60%	54%	52%	55%	61%	59%	56%	63%	0%	0%

ENERGI Woodbridge Monthly Capacity Utilization

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
*based on current plant speed and product mix												
Good lbs Produced(L)(lbs	2,601,062	2,268,000	2,750,274	2,196,896	2,658,445	3,225,935	3,272,912	2,999,000	2,367,000	2,564,603	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	50%	44%	53%	43%	52%	63%	64%	58%	46%	50%	0%	0%

ENERGI Laval Capacity Utilization

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
*based on current plant speed and product mix												
Good lbs Produced(L)(lbs	1,327,474	1,510,928	1,657,493	1,701,406	1,816,951	1,791,200	1,182,682	1,744,864	1,805,185	1,921,594	-	-
Monthly capacity utilization(L/K)%	36%	41%	45%	46%	49%	48%	32%	47%	49%	52%	0%	0%

ECS Capacity utilization

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Total available capacity lbs/month (A)*	13,227,720											
Actual Good Lbs produced(B)	7,187,792	7,248,608	8,717,783	7,717,344	8,754,525	9,535,934	8,203,851	8,781,712	7,762,024	8,137,033	-	-
Monthly Capacity utilization % (B/A)%	54%	55%	66%	58%	66%	72%	62%	66%	59%	62%	0%	0%

Terrebonne Capacity Utilization

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Available Shift Capacity(based on One 10Hr shift)(\$)(000)	\$3,000											
Actual Finished Production Value (000)(\$CAD)	\$ 1,313	\$ 1,519	\$ 1,703	\$ 1,707	\$ 2,101	\$ 1,997	\$ 2,317	\$ 2,536	\$ 2,350	\$ 2,970	\$ -	\$ -
Capacity utilization based on NO seasonal adjustment and one 10hr shift	44%	51%	57%	57%	70%	67%	77%	85%	78%	99%	0%	0%