

Board of Directors and Stockholder
Condor Intermediate Holding Corporation
Nicholasville, Kentucky

Professional standards require that we communicate certain matters to keep you adequately informed about matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. We communicate such matters in this report.

AUDITOR'S RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA

Our responsibility is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities. Refer to our engagement letter with the Company for further information on the responsibilities of management and of Crowe LLP.

PLANNED SCOPE AND TIMING OF THE AUDIT

We are to communicate an overview of the planned scope and timing of the audit. Accordingly, the following matters regarding the planned scope and timing of the audit were discussed with you previously.

- How we proposed to address the significant risks of material misstatement, whether due to fraud or error.
- Our approach to internal control relevant to the audit.
- The concept of materiality in planning and executing the audit, focusing on the factors considered rather than on specific thresholds or amounts.
- Where the entity has an internal audit function, the extent to which the auditor will use the work of internal audit, and how the external and internal auditors can best work together.
- Your views and knowledge of matters you consider warrant our attention during the audit, as well as your views on:
 - The allocation of responsibilities between you and management.
 - The entity's objectives and strategies, and the related business risks that may result in material misstatements.
 - Significant communications with regulators.
 - Other matters you believe are relevant to the audit of the financial statements.
- Matters relative to the use of other auditors/other accountants during the audit:
 - An overview of the type of work to be performed by other auditors/other accountants.
 - An overview of the nature of our planned involvement in the work to be performed by the other auditor/other accountant.

SIGNIFICANT ACCOUNTING POLICIES AND MANAGEMENT JUDGMENTS AND ACCOUNTING ESTIMATES

Significant Accounting Policies: Those Charged with Governance should be informed of the initial selection of and changes in significant accounting policies or their application. Also, Those Charged with Governance should be aware of methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas where there is a lack of authoritative consensus. We believe management has the primary responsibility to inform Those Charged with Governance about such matters. To assist Those Charged with Governance in its oversight role, we also provide the following.

Item	Impact
<p>Adoption of New Accounting Policies.</p> <p>In connection with the acquisitions discussed in the significant unusual transactions section below, the Company adopted all new accounting policies post-acquisition which were consistent with their pre-acquisition accounting policies with the exception of the adoption of the new revenue recognition standard as follows -</p> <p>ASU No. 2014-09, “Revenue From Contracts with Customers (Topic 606)” The ASU replaces much of the industry-specific guidance in U.S. GAAP with principles for recognizing revenue.</p>	<p>Adoption of this ASU did not have a material impact on the Company's financial position or results of operations and was not materially different from the pre-acquisition accounting policy.</p>
<p>Significant Unusual Transactions.</p>	<p>The Company completed the following acquisitions during the year ended December 28, 2019:</p> <ul style="list-style-type: none"> • Sargent & Greenleaf, Inc. • HCI Delaney Holdings, Inc. <p>The impact of these transactions is disclosed in Note 2 of the consolidated financial statements.</p>
<p>Significant Accounting Policies in Controversial or Emerging Areas.</p>	<p>No such matters noted</p>

Management Judgments and Accounting Estimates: Further, accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments. These judgments are based upon knowledge and experience about past and current events and assumptions about future events. Certain estimates are particularly sensitive because of their significance and because of the possibility that future events affecting them may differ markedly from management's current judgments and may be subject to significant change in the near term.

The following describes the significant accounting estimates reflected in the Company's year-end financial statements, the process used by management in formulating these particularly sensitive accounting estimates and the primary basis for our conclusions regarding the reasonableness of those estimates.

Significant Accounting Estimate	Process Used by Management	Basis for Our Conclusions
Allowance for Doubtful Accounts and Bad Debt Expense	The allowance for doubtful accounts was determined by management by a process involving consideration of past experiences, current aging information, information from credit reports, contacts with the customers, and other available data including environmental factors such as industry, geographical, economic and political factors.	We tested this accounting estimate by reviewing, on a test basis, the subsequent payments of receivables, review of the accounts receivable aging and discussions with management regarding long outstanding items.
Useful Lives of Fixed Assets	Management has determined the economic useful lives of fixed assets based on past history of similar types of assets, future plans as to their use, and other factors that impact their economic value to the Company.	We tested the propriety of information underlying management's estimates.
Carrying Value of Goodwill and Intangible Assets	Management is required to evaluate the carrying value of goodwill and intangible assets should certain triggering events occur. Evaluating the carrying value of goodwill and assessing impairment requires management to use estimates and assumptions about the Company's different reporting units, the fair value of each reporting unit compared to its book value, and as applicable, the implied fair value of goodwill for the reporting unit compared to its carrying amount.	We reviewed management's conclusion that no triggering events had occurred and agreed with their conclusion. No quantitative analysis was required to be performed for goodwill and intangible asset impairment testing.
Fair Value of Assets and Liabilities Acquired in Business Acquisitions	Determining the fair value of assets and liabilities requires management to use estimates and assumptions about the Company's individual assets and liabilities based on various fair value techniques.	We reviewed the reasonableness of these estimates and assumptions.
Obsolete Inventory Reserve	Management has established a reserve for obsolete inventory based on current inventory quantities on hand as compared to past sales history and future estimated sales activity, in addition to general economic trends, competition, changes in business and technology.	We have tested the propriety of information underlying management's evaluation of obsolete inventory.

AUDITOR'S JUDGMENTS ABOUT QUALITATIVE ASPECTS OF SIGNIFICANT ACCOUNTING PRACTICES

We are to discuss with you our comments about the following matters related to the Company's accounting policies and financial statement disclosures. Accordingly, these matters will be discussed during our meeting with you.

- The appropriateness of the accounting policies to the particular circumstances of the entity, considering the need to balance the cost of providing information with the likely benefit to users of the entity's financial statements.
- The overall neutrality, consistency, and clarity of the disclosures in the financial statements.
- The effect of the timing of transactions in relation to the period in which they are recorded.
- The potential effect on the financial statements of significant risks and exposures, and uncertainties that are disclosed in the financial statements.
- The extent to which the financial statements are affected by unusual transactions including nonrecurring amounts recognized during the period, and the extent to which such transactions are separately disclosed in the financial statements.
- The issues involved, and related judgments made, in formulating particularly sensitive financial statement disclosures.
- The factors affecting asset and liability carrying values, including the entity's basis for determining useful lives assigned to tangible and intangible assets.
- The selective correction of misstatements, for example, correcting misstatements with the effect of increasing reported earnings, but not those that have the effect of decreasing reported earnings.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Corrected Misstatements: We are to inform you of material corrected misstatements that were brought to the attention of management as a result of our audit procedures. Please see attached schedules of Corrected Misstatements.

Uncorrected Misstatements: We are to inform you of uncorrected misstatements that were aggregated by us during the current engagement and pertaining to the latest and prior period(s) presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. For your consideration, we have distinguished misstatements between known misstatements and likely misstatements. Please see attached schedule of Uncorrected Misstatements.

OTHER COMMUNICATIONS

Communication Item	Results
Other Information In Documents Containing Audited Financial Statements Information may be prepared by management that accompanies the financial statements. To assist your consideration of this information, you should know that we are required by audit standards to read such information and consider whether such information, or the manner of its presentation, is materially inconsistent with information in the financial statements. If we consider the information materially inconsistent based on this reading, we are to seek a resolution of the matter.	We understand that management has not prepared such information to accompany the audited financial statements.

Communication Item	Results
Significant Difficulties Encountered During the Audit We are to inform you of any significant difficulties encountered in dealing with management related to the performance of the audit.	There were no significant difficulties encountered in dealing with management related to the performance of the audit.
Disagreements With Management We are to discuss with you any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the Company's financial statements or the auditor's report.	During our audit, there were no such disagreements with management.
Consultations With Other Accountants If management consulted with other accountants about auditing and accounting matters, we are to inform you of such consultation, if we are aware of it, and provide our views on the significant matters that were the subject of such consultation.	We are not aware of any instances where management consulted with other accountants about auditing or accounting matters since no other accountants contacted us, which they are required to do by Statement on Auditing Standards No. 50, before they provide written or oral advice.
Representations The Auditor Is Requesting From Management We are to provide you with a copy of management's requested written representations to us.	We direct your attention to a copy of the letter of management's representation to us provided separately.
Significant Issues Discussed, or Subject to Correspondence, With Management We are to communicate to you any significant issues that were discussed or were the subject of correspondence with management.	There were no such significant issues discussed, or subject to correspondence, with management.
Significant Related Party Findings and Issues We are to communicate to you significant findings and issues arising during the audit in connection with the Company's related parties.	There were no such findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.
Other Findings or Issues We Find Relevant or Significant We are to communicate to you other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to you regarding your oversight of the financial reporting process.	There were no such other findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.

We are pleased to serve your Company as its independent auditors and look forward to our continued relationship. We provide the above information to assist you in performing your oversight responsibilities and would be pleased to discuss this letter or any matters further, should you desire. This letter is intended solely for the information and use of Those Charged with Governance and, if appropriate, management, and is not intended to be and should not be used by anyone other than these specified parties.


Crowe LLP

Lexington, Kentucky
June 5, 2020

Sargent & Greenleaf, Inc.
Schedule of Corrected Misstatements
December 28, 2019

Account Name	Known/Likely	Debit	Credit	Income Effect Increase (Decrease)
<u>Purchase Accounting Entries (Opening Balance Sheet)</u>				
1 Current Lease Liability	Known	40,568		-
Long Term Lease Liability		86,694		-
Long Term Right of Use Asset			127,262	-
<i>To remove lease asset and liability for the Sargent & Greenleaf, Inc. accounts</i>				
2 Goodwill	Known	830,889		-
Deferred Taxes			830,889	-
<i>To adjust Deferred Taxes improperly accrued in the tax provision</i>				
3 Investment in Subsidiary	Known	1,453,058		-
Goodwill			1,453,058	-
<i>To create Investment in Subsidiary account between Sargent & Greenleaf, Inc. and the Sargent & Greenleaf, Inc., SA subsidiary</i>				
4 Goodwill Amortization	Known	2,421,664		(2,421,664)
Accumulated Goodwill Amortization			2,421,664	-
<i>To record goodwill amortization expense not recorded in the current period.</i>				
5 Intercompany Receivable	Known	2,624,756		-
Investment in Subsidiary			2,624,756	-
<i>To adjust for the intercompany receivable related to Buyer Transaction Fees for the Delaney Purchase acquisition</i>				

Sargent & Greenleaf, Inc.
Schedule of Corrected Misstatements
December 28, 2019

Account Name	Known/Likely	Debit	Credit	Income Effect Increase (Decrease)
6 SGA Consulting Fees	Known	41,457		(41,457)
SGA Travel and Entertainment		36,528		(36,528)
Intercompany Receivable		129,086		-
Accrued Liabilities - Other			207,071	-
<i>To record entries related to OpenGate Capital Travel invoices, Morgan Lewis final billing and HCI Delaney working capital purchase price adjustment</i>				
7 Investment in Subsidiaries	Known	667,000		-
Accrued Liabilities - Other		15,982		-
Intercompany Receivable			682,982	-
<i>To accrue payment of performance bonuses paid to the Seller for the HCI Delaney acquisition</i>				
<u>Year end Adjusting Entries</u>				
8 Income Tax Receivable	Known	97,694		
Deferred Taxes		1,765,170		
Income Tax Payable		160,200		
Income Tax Expense			2,023,064	2,023,064
<i>To record year end adjustment for taxes</i>				
Total Income Effect of Corrected Misstatements				<u>(476,585)</u>

Sargent & Greenleaf, Inc. SA
Schedule of Corrected Misstatements
December 28, 2019

<u>Account Name</u>	<u>Known/Likely</u>	<u>Debit</u>	<u>Credit</u>	<u>Income Effect Increase (Decrease)</u>
<u>Purchase Accounting Entries (Opening Balance Sheet)</u>				
1 Current Lease Liability	Known	4,047		-
Other Non-Current Assets			4,047	-
<i>To remove lease asset and liability for the Sargent & Greenleaf, Inc. SA accounts</i>				
2 Goodwill	Known	83,023		-
Additional Paid-in Capital			83,023	-
<i>To correct Goodwill and Additional Paid-in Capital on S&G SA's books</i>				
Total Income Effect of Corrected Misstatements				<u><u>-</u></u>

Delaney Hardware Co.
Schedule of Corrected Misstatements
December 28, 2019

<u>Account Name</u>	<u>Known/Likely</u>	<u>Debit</u>	<u>Credit</u>	<u>Income Effect Increase (Decrease)</u>
<u>Purchase Accounting Entries (Opening Balance Sheet)</u>				
1 Intercompany Payable	Known	269,125		-
Accounts Payable		124,475		-
Bad Debts - Sales		355		(355)
Insurance - General		3,704		(3,704)
Insurance - Health		7,352		(7,352)
Retirement Plan Expense		4,530		(4,530)
Management Fees		25,000		(25,000)
Retirement Plan Expense - Office		2,023		(2,023)
Repairs and Maintenance - Office		615		(615)
Printing - Marketing		2,918		(2,918)
Sales Commissions		84,743		(84,743)
Retirement Plan Expense - Warehouse		568		(568)
Goodwill			29,908	-
Rebates			39,355	39,355
Cost of Goods Sold - Intercompany			99,375	99,375
Inventory Variance			50,000	50,000
Transaction Fees			306,770	306,770
<i>To correct P&L accounts for timing of recording journal entries</i>				
2 Goodwill	Known	270,433		-
Officer's Salaries			164,380	164,380
Bonus Expense			61,053	61,053
Salaries and Wages - Office			45,000	45,000
<i>To adjust the payroll and bonus expense based on the payroll reconciliation</i>				

Delaney Hardware Co.
Schedule of Corrected Misstatements
December 28, 2019

Account Name	Known/Likely	Debit	Credit	Income Effect Increase (Decrease)
3 Goodwill	Known	200,000		-
Inventory E&O Reserve			200,000	-
<i>To book additional reserve for the inventory to be discontinued in 2020</i>				
4 Goodwill	Known	24,119		-
Due to/from HCI Delaney Holdings LLC			18,910	-
Accrued Expenses			5,209	-
<i>To increase accruals for tax adjustment and write off receivable from old company for doubtful collection</i>				
5 Goodwill	Known	244,076		-
Accumulated Goodwill Amortization			101,833	-
Accrued Expenses			11,864	-
Amortization Expense - Goodwill			130,379	130,379
<i>To adjust Goodwill amortization</i>				
6 Intercompany Payable	Known	406,040		-
Goodwill			406,040	-
<i>To record the intercompany receivable for the management bonuses from closing funds received by S&G</i>				
7 Amortization Expense - Intangibles	Known	12,616		(12,616)
Amortization Expense - Inventory		121,644		(121,644)
Accumulated Amortization - Intangibles			12,616	-
Accumulated Amortization - Inventory			121,644	-
<i>To record the amortization of inventory markup to FV and intangibles</i>				

Delaney Hardware Co.
Schedule of Corrected Misstatements
December 28, 2019

Account Name	Known/Likely	Debit	Credit	Income Effect Increase (Decrease)
8 Goodwill	Known	337,238		-
Deferred Taxes			202,583	-
Deferred Federal Tax Expense			73,620	73,620
Deferred State Tax Expense			61,035	61,035
<i>To adjust for the changes to the tax provision</i>				
9 Intercompany Transaction Expense	Known	1,623,211		(1,623,211)
Intercompany Payable			1,623,211	-
<i>To record intercompany buyer transaction expense</i>				
Total Income Effect of Corrected Misstatements				<u><u>(858,312)</u></u>

Premier Steel Door & Frames, Inc.
Schedule of Corrected Misstatements
December 28, 2019

<u>Account Name</u>	<u>Known/Likely</u>	<u>Debit</u>	<u>Credit</u>	<u>Income Effect Increase (Decrease)</u>
<u>Purchase Accounting Entries (Opening Balance Sheet)</u>				
1 Goodwill	Known	37,498		-
Hardware-Buyouts-DF			35,687	-
Inventory-TX-W			1,811	-
<i>To adjust Hardware inventory value based on the sourcing pricing from Delaney</i>				
2 Goodwill	Known	22,120		-
Amortization Expense		30,533		(30,533)
Accumulated Amortization			52,653	-
<i>To record Goodwill amortization</i>				
3 Intercompany Payable	Known	276,943		-
Goodwill			276,943	-
<i>To record the receivable from S&G for funds received at closing related to management bonus accrual</i>				
4 Amortization Expense - Inventory	Known	28,137		(28,137)
Amortization Expense - Intangibles		7,491		(7,491)
Accumulated Amortization - Inventory			28,137	-
Accumulated Amortization - Intangibles			7,491	-
<i>To record the amortization of inventory markup to FV and intangibles</i>				
5 G&A Salary	Known	52,036		(52,036)
Goodwill			52,036	-
<i>To rollforward the adjustment to prepaid salaries on 12/20 through the YE period</i>				

Premier Steel Door & Frames, Inc.
Schedule of Corrected Misstatements
December 28, 2019

Account Name	Known/Likely	Debit	Credit	Income Effect Increase (Decrease)
6 Goodwill	Known	416,347		-
Deferred Tax Federal Tax Expense			24,076	24,076
Deferred Tax State Tax Expense			31,191	31,191
Deferred Tax on Depreciation			361,080	-
<i>To adjust for the changes in the tax provision</i>				
7 Intercompany Transaction Expense	Known	1,021,799		(1,021,799)
Intercompany Payable			1,021,799	-
<i>To record intercompany buyer transaction expense</i>				
Total Income Effect of Corrected Misstatements				<u><u>(62,930)</u></u>

Sargent & Greenleaf, Inc.
Schedule of Uncorrected Misstatements
December 28, 2019

Account Name	Known/Likely	Debit	Credit	Income Effect Increase (Decrease)
1 Accounts Receivable - Trade	Known	219,357		-
Accounts Payable - Trade			219,357	-
<i>To reclassify accounts receivable for credit balances at year end</i>				
2 Accounts Payable - Stanley	Known	74,117		-
Department Expense			74,117	74,117
<i>To correct for the confirmed balance of Accounts payable due to Stanley at year end</i>				
Total Income Effect of Uncorrected Misstatements				<u><u>74,117</u></u>

Premier Steel Doors & Frames, Inc.
Schedule of Uncorrected Misstatements
December 28, 2019

Account Name	Known/Likely	Debit	Credit	Income Effect Increase (Decrease)
1 Hardware-Buyouts-DF	Known	44,240		-
Accounts Payable			44,240	-
<i>To account for an improperly excluded item in subsequent disbursement testing at year end</i>				
Total Income Effect of Uncorrected Misstatements				-