



2020 Monthly Operating Review – January 2020

February 26th, 2020



Executive Summary

Financial Review

Full Year Financial Outlook

Governance Reporting

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Business Unit Analysis

Executive Summary

1. **Sales Volumes & Revenues:** Overall sales revenues and volumes were ahead of Plan by \$967K for the Month due to higher demand from both Canadian and US customers as a result of some pent up demand from the prior year. Sales were ahead of Plan at Woodbridge, Laval and Delmont but behind at Everett due to a slow start from US West coast customers. ECS external compound sales were ahead of Plan as a result of the launch of new products and new customers
2. **EBITDA:** EBITDA ahead of Plan by \$37K. EBITDA favorably impacted by higher sales volumes at the extrusion plants (except Everett) & ECS and favorable material PPV at Terrebonne & ECS due to supplier rebates received and favorable resin & additive pricing. These favorable impacts were partially offset by lower production yields and higher scrap rates at Everett due to launch activities (capstock trials and tool testing), unfavorable absorption impacts at Terrebonne (delay in Atis production) and Laval (selling more out of inventory), lower tool & die overhead recovery and higher maintenance costs due to equipment breakdowns at Woodbridge and ECS
3. **Vs Prior Year:** Overall sales revenues and volumes were ahead of Prior Year by \$963K for the Month due to higher demand from both Canadian and US customers. Sales were ahead of Prior Year at Woodbridge, Laval and Delmont but behind at Everett due to a slow start from US West coast customers. ECS external compound sales were ahead of Prior Year as a result of the launch of new business. EBITDA was ahead of the Prior Year by \$45K impacted by higher sales volumes at the extrusion plants (except Everett) & ECS, favorable material PPV at Terrebonne & ECS due to supplier rebates received and favorable resin & additive pricing and lower bonus expense accrued. This was offset by lower production yields and higher scrap rates at Everett due to launch activities & at Woodbridge due to lower regrind usage and higher labor costs at Terrebonne due to maintenance of skilled labor for the Atis launch
4. **TTM:** 2020 January TTM Revenue of \$159.2M and EBITDA of \$9.8M vs the 2020 AOP Revenue of \$164.5M and EBITDA of \$13.5M (excluding bonus expense)

Executive Summary (Continued)

5. **Sales Order Flow:** Overall sales order flow outlook for February as at February 20th is currently ahead the Prior Year on a Month to Date basis by 35%. Extrusion sales orders are ahead of prior year orders by 35.8% and Patio Door sales orders are ahead by 32.5%. Woodbridge, Laval, Delmont Everett all are starting the year strong with order intake ahead of prior year by 23%, 20%, 15% and 24%, respectively. ECS also has a healthy order intake ahead of prior year by over \$900K and 214% due to an entire year's worth of orders placed by Fence Outlet (new customer). Currently, February sales are tracking to Plan and consistent with prior year. Production volume is also tracking to Plan.
6. **Material/Supplier Price Increases:** The February CDI Resin Index increased by an additional 2cpp, in line with expectations, on account of increasing export prices and slightly higher domestic demand, despite a further decrease in ethylene prices. This results in a resin price consistent with Plan for March (net 3cpp increase from December when you factor in the market rate adjustment of 2cpp effective Jan. 1st). Industry consensus is that the March CDI Resin Index will be flat due to falling export prices. Favorable test results on the alternative filler material at ECS with OMYA has resulted in a switch from current Specialty Minerals product. Negotiations ongoing with Cardinal Glass (Patio Door glass supplier) and alternative suppliers (AGC, Vitro), trying to fight off price and freight increases. SmartVentures review of ENERGI's logistics (rail and truck lanes) has some favorable traction on rail transportation from ECS to Everett and freight lanes across all plants. Still reviewing flatbed opportunity at Delmont and potential rail storage opportunity at ECS
7. **Bank Covenants:** Excess Availability covenant for Jan-20 in line with target but Fixed Cost Coverage Ratio (FCCR) below the target due to prior year softness of EBITDA. Continue to monitor Q1 2020 cash flow forecasts and impacts on Excess Availability and FCCR covenants and moderate spending accordingly
8. **Terrebonne Plant Manager:** One of the stronger candidates for the role, Martin Bureau, conducted several interviews with Plant personnel and the Executive Management team and was selected as the prime candidate. ENERGI presented Martin with the offer of employment and he accepted it on Friday Feb. 21st with an effective start date of March 16th

Executive Summary (Continued)

	Description	Potential Impact	Plan to Address
Risks	▪ Terrebonne (Patio Doors)	<ul style="list-style-type: none"> ▪ Revenue and EBITDA loss ▪ Turnaround plan not achieved 	<ul style="list-style-type: none"> ▪ Maintain stability of leadership team – hired Plant Manager ▪ Focus on process flow improvements for production efficiency & labor ▪ Obtain new business and take market share – launch Atis business ▪ Focus on stabilizing customer service department
	▪ 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 visiting 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 ▪ Hired two West Coast sales account managers to support US growth
	▪ 2020 Recession (NA / Global)	<ul style="list-style-type: none"> ▪ Revenue and EBITDA loss ▪ Employee retention issues 	<ul style="list-style-type: none"> ▪ Continue to stay in touch with all major customers ▪ Develop production scheduling discipline to ensure not over or under producing and not creating backorders
	▪ Price Increase	<ul style="list-style-type: none"> ▪ Increase profitability ▪ Offset raw material increases 	<ul style="list-style-type: none"> ▪ Obtain price below \$0.7 million planned expectation ▪ Running into resistance from both PVC and Patio Door customers
Opportunities	▪ External Compound Sales	<ul style="list-style-type: none"> ▪ Revenue and EBITDA growth ▪ Absorption of ECS overheads 	<ul style="list-style-type: none"> ▪ Quoting & launching non-fenestration compound opportunities ▪ Developing natural/green core compound for alt. materials initiative
	▪ Operations Excellence Initiatives	<ul style="list-style-type: none"> ▪ Operational efficiencies ▪ Profitability improvements 	<ul style="list-style-type: none"> ▪ Woodbridge DB&A operations improvement process project in progress ▪ Delmont is focused on productivity, yield and scrap reduction initiatives ▪ Everett - improving throughput, productivity and regrind usage
	▪ Supply Chain Initiatives	<ul style="list-style-type: none"> ▪ Improvement in profitability ▪ Offset raw material increases 	<ul style="list-style-type: none"> ▪ Traction on supply chain initiatives with incremental procurement savings achieved ▪ Reviewing alternative supply options for all resources ▪ Challenging price increases from all suppliers
	▪ Pipeline Growth	<ul style="list-style-type: none"> ▪ Revenue and EBITDA growth ▪ Plant capacity utilization 	<ul style="list-style-type: none"> ▪ Sales prospecting efforts 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 ▪ Onboarding three new US sales managers/ reps

Key Wins and Losses – January 2020


Key Wins

- **ATIS**
 - Laval
 - Full Patio Door Conversion
 - Annualised Sales = \$3M
- **Fence Outlet**
 - ECS
 - Compound for Fences
 - Annualised Sales = \$2M


Key Losses

- **None**


Key Initiatives Update

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


Key Initiatives Update (Continued)

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

Key Initiatives Update (Continued)

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

Key Initiatives Update (Continued)

Initiative	Status	Recent Progress	Next Steps	Risks
4. Information Technology & Systems Security		<ul style="list-style-type: none"> Account Management & Security (R1) initiative completed – utilizing Azure Active Directory to centrally manage and enforce security settings Business Continuity & DR (R2) – implemented local and remote back-up strategy & protocol for local site servers Full DR test successfully completed for JDE ERP Two-Factor Authentication (R5) – completed successfully Implemented Mimecast to scan incoming emails and block suspicious addresses Added “Warning” message to all incoming emails originating from outside ENERGI system Cybersecurity Training & Awareness (R3) – portal has been set up and training has been kicked off (complete) 	<ul style="list-style-type: none"> DR test on Syteline ERP (Terrebonne) to be scheduled once current Vanilla Project work is completed DR test on ConcepMATICs ERP (Laval) to be scheduled Vulnerability Mgmt (R4) – postponed to 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 January at Laval - Worker sustained a contusion on his right forearm while trying to remove profile stuck in saw (Physiotherapy required, Lost Time: 7 days)
- 2020 TRIR of 2.27 vs 2019 TRIR of 2.32; Total Recordable Cases – 1 for 2020 vs 16 for 2019 FY & 14 for 2018 FY
- 38 months incident free record at ECS, 8 months incident free record at Woodbridge

Quality:

- Laval and Everett– Minor complaints and some returns. Generally higher during winter
- Terrebonne - quality complaints due to colder temperatures causing product seal failures

Delivery:

- Delmont – some backorders with PGT capstock items due to spike in orders; 4,242 SKUs shipped with 49 backordered

Efficiencies:

- Woodbridge yields impacted by mix issues and difficult dies with prolonged starts added by Temp labor filling fulltime positions as well as increased inspection for lines running regrind
- Delmont regrind usage impacted by high yields and producing less regrind; looking for further regrind sources
- ECS yields impacted by Raw Material cycle counts; \$16K of raw material write-off

Key Performance Indicators – Plant Summary

KPI Measure		2020 Targets	Jan-20	YTD 2020
<u>Health & Safety</u>				
# Recordables (affects TRIR)	# in Month	0	1	1
Woodbridge		1	0	0
Laval		0	1	1
Terrebonne		0	0	0
Delmont		0	0	0
Everett		0	0	0
ECS		0	0	0
<u>Quality Performance</u>				
Returns as % of sales	# of Plants Green	6	3	3
Woodbridge		0.41%	0.38%	0.38%
Laval		0.72%	1.24%	1.24%
Terrebonne		0.55%	1.04%	1.04%
Delmont		0.30%	0.03%	0.03%
Everett		0.44%	0.68%	0.68%
ECS		0.30%	0.00%	0.00%
<u>Delivery Performance</u>				
% by line items	# of Plants Green	6	5	5
Woodbridge		98.1%	98.9%	98.9%
Laval		99.0%	99.9%	99.9%
Terrebonne		95.0%	99.4%	99.4%
Delmont		99.6%	98.8%	98.8%
Everett		99.2%	100.0%	100.0%
ECS		100.0%	100.0%	100.0%
% on time in full	# of Plants Green	6	5	5
Woodbridge		98.1%	98.9%	98.9%
Laval		95.0%	99.9%	99.9%
Terrebonne		95.0%	99.4%	99.4%
Delmont		99.3%	97.9%	97.9%
Everett		99.2%	100.0%	100.0%
ECS		100.0%	100.0%	100.0%
<u>Costs</u>				
Yield*	# of Plants Green	5	3	3
Woodbridge		88.0%	85.6%	85.6%
Laval		87.9%	89.0%	89.0%
Delmont		84.3%	86.1%	86.1%
Everett		87.4%	89.6%	89.6%
ECS		99.6%	99.5%	99.5%

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

KPI Measure		2020 Targets	Jan-20	YTD 2020
<u>Costs</u>				
Alt. Compound Consumption Ratio*		5	4	4
Woodbridge		20.0%	20.0%	20.0%
Laval		15.2%	21.5%	21.5%
Delmont		23.3%	20.3%	20.3%
Everett		20.0%	24.0%	24.0%
ECS		0.4%	0.5%	0.5%
<u>Inventory</u>				
Days - TTM*	# of Plants Green	5	4	
Woodbridge		77.8	69.6	
Laval		67.3	71.5	
Terrebonne		68.4	63.7	
Delmont		63.3	70.1	
Everett		104.3	92.2	
ECS		41.1	38.6	
<u>Customer Service</u>				
Customer Experience - NPS Improvement		20%	NA	NA
Customer Complaints - per MLBS ***	# of Plants Green	6	4	4
Woodbridge		3.2	4.0	4.0
Laval		17.7	16.8	16.8
Terrebonne		2.8	3.9	3.9
Delmont		2.9	1.1	1.1
Everett		10.0	3.9	3.9
ECS		0.3	0.1	0.1
<u>Customer Retention</u>				
		100%	100.0%	100.0%
<u>Employees</u>				
Employee Engagement		80%	75.0%	75.0%
Employee Retention		90%	99.4%	99.4%

Consolidated Summary P&L – January 2020

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	8,094	7,500	594	7.9%	8,094	7,500	594	7.9%
Units Shipped ('000)	7,842	7,006	837	11.9%	7,842	7,006	837	11.9%
Bookings (\$'000)	\$ 13,481	\$ 11,571	\$ 1,911	16.5%	\$ 13,481	\$ 11,571	\$ 1,911	16.5%
Backlog (\$'000)	\$ 9,606	\$ 8,769	\$ 837	9.5%	\$ 9,606	\$ 8,769	\$ 837	9.5%
Gross Revenue	\$ 12,481	\$ 11,504	\$ 977	8.5%	\$ 12,481	\$ 11,504	\$ 977	8.5%
Adj. to Gross Revenue	(576)	(565)	(10)	1.8%	(576)	(565)	(10)	1.8%
Net Revenue	11,905	10,939	967	8.8%	11,905	10,939	967	8.8%
Material	5,974	5,390	584	10.8%	5,974	5,390	584	10.8%
Labor	3,012	2,951	61	2.1%	3,012	2,951	61	2.1%
Other COGS	1,395	1,110	284	25.6%	1,395	1,110	284	25.6%
Total COGS	10,381	9,451	929	9.8%	10,381	9,451	929	9.8%
Gross Margin	1,525	1,487	37	2.5%	1,525	1,487	37	2.5%
Gross Margin %	12.8%	13.6%			12.8%	13.6%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	490	532	(41)	(7.8%)	490	532	(41)	(7.8%)
Administrative	948	920	28	3.0%	948	920	28	3.0%
Other Opex	5	(9)	13	(153.2%)	5	(9)	13	(153.2%)
Total Opex	1,443	1,443	0	0.0%	1,443	1,443	0	0.0%
EBITDA	82	45	37	82.5%	82	45	37	82.5%
EBITDA %	0.7%	0.4%			0.7%	0.4%		
Net Income (Loss)	\$ (1,509)	\$ (1,196)	\$ (312)	26.1%	\$ (1,509)	\$ (1,196)	\$ (312)	26.1%
Capex	\$ (230)	\$ (584)	\$ 354	(60.6%)	\$ (230)	\$ (584)	\$ 354	(60.6%)
Opex Overview:								
Payroll	\$ 833	\$ 879	\$ (47)	(5.3%)	\$ 833	\$ 879	\$ (47)	(5.3%)
Bonus	62	62	1	1.2%	62	62	1	1.2%
Commissions	29	24	5	21.4%	29	24	5	21.4%
Marketing	53	71	(17)	(24.3%)	53	71	(17)	(24.3%)
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	69	89	(20)	(22.6%)	69	89	(20)	(22.6%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	24	29	(5)	(17.2%)	24	29	(5)	(17.2%)
Professional fees	54	46	8	17.8%	54	46	8	17.8%
Office Expenses	23	19	4	20.3%	23	19	4	20.3%
IT	153	152	1	0.4%	153	152	1	0.4%
Bad Debts	31	(0)	31	(10277.6%)	31	(0)	31	(10277.6%)
FX	36	–	36	N/A	36	–	36	N/A
JV Loss (Income)	(31)	(9)	(22)	251.1%	(31)	(9)	(22)	251.1%
Other Expenses	109	82	26	31.8%	109	82	26	31.8%
Total Opex	\$ 1,443	\$ 1,443	\$ 0	0.0%	\$ 1,443	\$ 1,443	\$ 0	0.0%

Management Discussion

Net Revenue – Jan MTD +\$967K:

- Extrusion external sales volume ahead of Budget by 5.8% and \$553K due to higher demand from both Canadian and US customers; with higher sales out of Woodbridge by \$514K, Laval by \$105K and Delmont by \$96K partially offset by lower sales out of Everett by \$162K
- Patio Door gross sales were behind Budget by \$183K driven by decreased demand from its Canadian customers. External compound sales were ahead of Budget by 59% and \$344K due to increased orders from Nuform (new product), Declan and Fence Outlet (new customers)
- Favorable price mix impact of \$147K from Laval and Delmont
- Rebates & discounts were favorable to Budget by \$28K due to customer mix
- Returns & allowances were slightly higher than Budget by \$33K due to higher returns out of Laval as a result of surface issues from Nov/Dec, which have been resolved in January
- Favorable F/X impact of \$111K (actual rate of 1.3087 [or \$USD 0.7641] vs. Budget rate of 1.33 [or \$USD 0.7519])

EBITDA – Jan MTD +\$37K:

- Material COGS:** Increased costs primarily driven by higher sales volume impact of \$640K, unfavorable yields & additional scrap at Woodbridge and Everett due to launch activities and lower regrind usage at Delmont & Everett (impact of -\$86K); partially offset by supplier rebates and favorable resin material prices (impact of +\$142K)
- Labor COGS:** Increase in labor costs driven by an increase in production volumes (7.9%) and additional headcount maintained in Terrebonne for the launch of newly awarded business; partially offset by lower headcount and temp labor in Delmont and the receipt of the Compwsie (WSIB) rebate in Everett for \$34K
- Other COGS:** Increase of \$284K comprised of: an unfavorable absorption impact of \$119K as a result of selling more out of inventory than Plan, higher freight costs of \$89K due to increased sales and customer mix, a lower tool & die overhead recovery of \$45K, higher overhead spending of \$13K (maintenance) and an unfavorable F/X impact of \$18K
- Sales and Marketing:** Lower payroll costs due to lower headcount (new sales team members starting in Feb), lower T&E costs and lower marketing spend due to timing of events; partially offset by an increase to the bad debts reserve as a result of increased collection risks
- Administrative:** Increase due to Bank of America audit fee
- Other Opex:** Unfavorable realized F/X re-valuation impact of \$36K due to F/X revaluation of working capital balances (change in F/X from 1.3024 on December 31st, 2019 to 1.3225 on January 31st, 2020); partially offset by increased JV equity income due to increased JV volumes

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

\$'000	MTD		Var		YTD		Var	
	Act	PY-Act	\$	%	Act	PY-Act	\$	%
Units Produced ('000)	8,094	7,786	307	3.9%	8,094	7,786	307	3.9%
Units Shipped ('000)	7,842	6,941	901	13.0%	7,842	6,941	901	13.0%
Bookings (\$'000)	\$ 13,481	\$ 11,857	\$ 1,624	13.7%	\$ 13,481	\$ 11,857	\$ 1,624	13.7%
Backlog ('\$000)	\$ 9,606	\$ 9,269	\$ 337	3.6%	\$ 9,606	\$ 9,269	\$ 337	3.6%
Gross Revenue	\$ 12,481	\$ 11,539	\$ 942	8.2%	\$ 12,481	\$ 11,539	\$ 942	8.2%
Adj. to Gross Revenue	(576)	(597)	21	(3.5%)	(576)	(597)	21	(3.5%)
Net Revenue	11,905	10,942	963	8.8%	11,905	10,942	963	8.8%
Material	5,974	5,204	770	14.8%	5,974	5,204	770	14.8%
Labor	3,012	2,927	85	2.9%	3,012	2,927	85	2.9%
Other COGS	1,395	1,309	85	6.5%	1,395	1,309	85	6.5%
Total COGS	10,381	9,440	940	10.0%	10,381	9,440	940	10.0%
Gross Margin	1,525	1,502	23	1.5%	1,525	1,502	23	1.5%
Gross Margin %	12.8%	13.7%			12.8%	13.7%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	490	554	(64)	(11.5%)	490	554	(64)	(11.5%)
Administrative	948	1,037	(90)	(8.6%)	948	1,037	(90)	(8.6%)
Other Opex	5	(127)	131	(103.7%)	5	(127)	131	(103.7%)
Total Opex	1,443	1,465	(22)	(1.5%)	1,443	1,465	(22)	(1.5%)
EBITDA	82	37	45	121.3%	82	37	45	121.3%
EBITDA %	0.7%	0.3%			0.7%	0.3%		
Net Income (Loss)	\$ (1,509)	\$ (886)	\$ (623)	70.3%	\$ (1,509)	\$ (886)	\$ (623)	70.3%
Capex	\$ (230)	\$ (489)	\$ 259	(52.9%)	\$ (230)	\$ (489)	\$ 259	(52.9%)
Opex Overview:								
Payroll	\$ 833	\$ 881	\$ (49)	(5.5%)	\$ 833	\$ 881	\$ (49)	(5.5%)
Bonus	62	112	(50)	(44.3%)	62	112	(50)	(44.3%)
Commissions	29	19	10	54.3%	29	19	10	54.3%
Marketing	53	95	(41)	(43.6%)	53	95	(41)	(43.6%)
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	69	107	(39)	(36.0%)	69	107	(39)	(36.0%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	24	29	(5)	(17.8%)	24	29	(5)	(17.8%)
Professional fees	54	45	9	19.5%	54	45	9	19.5%
Office Expenses	23	23	0	0.9%	23	23	0	0.9%
IT	153	166	(14)	(8.2%)	153	166	(14)	(8.2%)
Bad Debts	31	16	14	89.9%	31	16	14	89.9%
FX	36	(122)	157	(129.2%)	36	(122)	157	(129.2%)
JV Loss (Income)	(31)	(5)	(26)	513.4%	(31)	(5)	(26)	513.4%
Other Expenses	109	98	10	10.2%	109	98	10	10.2%
Total Opex	\$ 1,443	\$ 1,465	\$ (22)	(1.5%)	\$ 1,443	\$ 1,465	\$ (22)	(1.5%)

Management Discussion

Net Revenue – Jan MTD +\$963K:

- Extrusion external sales volume ahead of Prior Year by 3.9% and \$376K due to higher demand from both Canadian and US customers; with higher sales out of Woodbridge by \$453K, Laval by \$75K and Delmont by \$105K partially offset by lower sales out of Everett by \$257K
- Patio Door gross sales were behind Prior Year by \$51K driven by decreased demand from its Canadian customers. External compound sales were ahead of Prior Year by \$482K due to increased orders from Declan and Fence Outlet (new customers)
- Rebates & discounts were in line with Prior Year
- Returns & allowances were lower than Prior Year due to improvements in product quality
- Favorable F/X impact of \$111K (actual rate of 1.3087 [or \$USD 0.7641] vs. Prior Year rate of 1.3301 [or \$USD 0.7518])

EBITDA – Jan MTD +\$45K:

- Material COGS:** Increased costs primarily driven by higher sales volume, unfavorable yields & additional scrap at Woodbridge and Everett due to launch activities and lower regrind usage (impact of -\$205K); partially offset by supplier rebates and favorable resin, impact modifier and stabilizer material prices at ECS (impact of +\$338K)
- Labor COGS:** Increase in labor costs driven by an increase in production volumes (3.9%) and additional headcount maintained in Terrebonne for the launch of newly awarded business; partially offset by lower headcount and temp labor in Delmon, the receipt of the Compwise (WSIB) rebate in Everett for \$34K and lower bonus expense accrual of \$44K
- Other COGS:** Increase of \$85K comprised of: higher freight costs of \$26K due to increased sales and customer mix, higher overhead spending of \$38K (higher rent, higher warehouse costs and maintenance), lower tool & die recovery of \$23K and an unfavorable F/X impact of \$18K; partially offset by a favorable absorption impact of \$20K as a result of higher JV overhead recovery vs Prior Year due to higher production and use of lines
- Sales and Marketing:** Lower payroll costs due to lower headcount (new sales team members starting in Feb), lower T&E costs and lower marketing spend due to timing of events; partially offset by an increase to the bad debts reserve
- Administrative:** Lower payroll costs and bonus due to headcount and lower T&E costs
- Other Opex:** Unfavorable realized F/X re-valuation impact of \$36K due to F/X revaluation of working capital balances (change in F/X from 1.3024 on December 31st, 2019 to 1.3225 on January 31st, 2020)

January 2020 Net Sales Bridge

(In Thousands of US Dollars)

	<u>Woodbridge</u>	<u>Laval</u>	<u>Delmont</u>	<u>Everett</u>	<u>ECS</u>	<u>Terrebonne</u>	<u>Group Office</u>	<u>Adj.</u>	<u>Total</u>
Net Sales Budget, as reported (A)	\$ 2,815	\$ 1,726	\$ 3,234	\$ 1,741	\$ 4,822	\$ 1,185	\$ -	\$ (4,584)	\$ 10,939
Volume impact (external sales)	514	105	96	(162)	344	(183)	-	-	714
Volume impact (intercompany sales)	9	28	(5)	-	787	-	-	(819)	-
Rebates & discounts	17	(2)	(1)	15	-	(1)	-	-	28
Price / Mix impact	(7)	73	62	9	(19)	29	-	-	147
Returns & allowances	4	(29)	-	(3)	-	(5)	-	-	(33)
Other - F/X	52	28	0	(0)	14	17	-	(0)	111
Actual Net Sales (B)	\$ 3,403	\$ 1,930	\$ 3,385	\$ 1,600	\$ 5,949	\$ 1,043	\$ -	\$ (5,403)	\$ 11,905
Actual vs Budget, as reported Variance (B) - (A)	\$ 588	\$ 204	\$ 152	\$ (141)	\$ 1,126	\$ (142)	\$ -	\$ (819)	\$ 967
Actual vs Prior Year, as reported Variance	\$ 443	\$ 202	\$ 172	\$ (211)	\$ 490	\$ (46)	\$ -	\$ (88)	\$ 963

January 2020 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)	\$ (208)	\$ (4)	\$ 347	\$ 23	\$ 11	\$ (164)	\$ 42	\$ -	\$ 45
Volume & Mix impact	184	83	22	(7)	120	(26)	(130)	-	245
Labor - DL/IDL FAV/(UNF)	(38)	(29)	47	(37)	25	(1)	-	-	(33)
Alt. Materials FAV/(UNF)	(25)	28	1	(90)	-	-	-	-	(86)
Other Materials - FAV/(UNF)	-	10	18	(34)	92	56	-	-	142
Absorption impact FAV/(UNF)	(18)	(48)	40	1	(2)	(92)	-	-	(119)
Overhead Spending FAV/(UNF)	(100)	(19)	7	22	12	3	-	-	(75)
Other	23	(9)	6	(7)	(41)	(19)	9	-	(38)
Actual EBITDA (B)	\$ (182)	\$ 12	\$ 487	\$ (129)	\$ 216	\$ (244)	\$ (79)	\$ -	\$ 82
Actual vs Budget, as reported Variance (B) - (A)	\$ 26	\$ 16	\$ 141	\$ (151)	\$ 205	\$ (80)	\$ (121)	\$ -	\$ 37
Actual vs Prior Year, as reported Variance	\$ (103)	\$ (31)	\$ 72	\$ 27	\$ 14	\$ 1	\$ 66	\$ -	\$ 45

Strategic Plan Update – Summary of Alternative Materials Initiative

(In Thousands of US Dollars)

	Jan-20			Comments
	Actual	Budget	Variance FAV/(UNF)	
Woodbridge - Scrap Variance ⁽¹⁾	\$ (47)	\$ (19)	\$ (28)	Increased trials and testing for new dies Regrind usage in line
Woodbridge - Alt Materials Usage ⁽²⁾	\$ 105	\$ 102	\$ 3	
Woodbridge - Total	\$ 58	\$ 83	\$ (25)	
Laval - Scrap Variance ⁽¹⁾	\$ 16	\$ -	\$ 16	Favorable yields due to longer runs and product mix Used off-spec material from Woodbridge and customer buy-back
Laval - Alt Materials Usage ⁽²⁾	\$ 50	\$ 38	\$ 13	
Laval - Total	\$ 66	\$ 38	\$ 28	
Delmont - Scrap Variance ⁽¹⁾	\$ 54	\$ 42	\$ 11	Favorable yields due to longer runs and yield improvement plan Lower regrind usage due to volumes and resource constraints
Delmont - Alt Materials Usage ⁽²⁾	\$ 68	\$ 79	\$ (10)	
Delmont - Total	\$ 122	\$ 121	\$ 1	
Everett - Scrap Variance ⁽¹⁾	\$ (48)	\$ 43	\$ (91)	Higher scrap due to increased capstock trials and mixed regrind
Everett - Alt Materials Usage ⁽²⁾	\$ 51	\$ 50	\$ 1	
Everett - Total	\$ 3	\$ 93	\$ (90)	
Total Scrap Variance ⁽¹⁾	\$ (26)	\$ 66	\$ (92)	
Total Alt Materials Usage ⁽²⁾	\$ 275	\$ 268	\$ 6	
Grand Total	\$ 249	\$ 335	\$ (86)	

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)

	Jan-20
Budget Production Volume (Lbs)	7,500
Actual Production Volume (Lbs)	8,094
Increased/(Decreased) Production - %	7.9%
<u>Direct Labor:</u>	
Budget Direct Labor	\$ 1,419
Deduct: Budget Direct Labor - Terrebonne	236
Budget Direct Labor - Extrusion & Compounding (A)	<u>\$ 1,183</u>
Budget Direct Labor (Flexed for Actual Volume) (B)	\$ 1,277
Actual Direct Labor	\$ 1,422
Deduct: Actual Direct Labor - Terrebonne	230
Actual Direct Labor - Extrusion & Compounding (C)	<u>\$ 1,192</u>
Direct Labor Savings - Extrusion & Compounding - FAV(UNF)	
Actual vs. Budget [(A) - (C)]	<u>\$ (9)</u>
Actual vs. Budget (Flexed for Actual Volume) [(B) - (C)]	<u>\$ 85</u>
<u>Indirect Labor:</u>	
Budget Indirect Labor	\$ 1,475
Deduct: Budget Indirect Labor - Terrebonne	100
Budget Indirect Labor - Extrusion & Compounding (A)	<u>\$ 1,376</u>
Budget Indirect Labor (Flexed for Actual Volume) (B)	\$ 1,397
Actual Indirect Labor	\$ 1,534
Deduct: Actual Indirect Labor - Terrebonne	101
Actual Indirect Labor - Extrusion & Compounding (C)	<u>\$ 1,433</u>
Indirect Labor Savings - Extrusion & Compounding - FAV(UNF)	
Actual vs. Budget [(A) - (C)]	<u>\$ (57)</u>
Actual vs. Budget (Flexed for Actual Volume) [(B) - (C)]	<u>\$ (35)</u>
<u>SG&A Labor - Consolidated:</u>	
Budget SG&A Labor	\$ 879
Actual SG&A Labor	<u>\$ 833</u>
SG&A Labor Savings - FAV(UNF)	<u>\$ 47</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)

	Jan-20
Budget Production Volume (Lbs)	7,500
Budget Direct Labor - Consolidated	\$ 1,419
Deduct:	
Budget Direct Labor - Terrebonne	\$ 236
Budget Total Labor - Extrusion & Compounding	<u>\$ 1,183</u>
Budget Direct Labor \$ / Lb Manufactured	\$ 0.158
Actual Production Volume (Lbs)	8,094
Actual Direct Labor - Consolidated	\$ 1,422
Deduct:	
Actual Direct Labor - Terrebonne	\$ 230
Actual Direct Labor - Extrusion & Compounding	<u>\$ 1,192</u>
Actual Direct Labor \$/Lb Manufactured	<u>\$ 0.147</u>
Budget Casual / Temp Direct Labor - Consolidated	\$ 70
Deduct:	
Budget Casual / Temp Direct Labor - Terrebonne	\$ 1
Budget Total Casual / Temp Labor - Extrusion & Compounding	<u>\$ 68</u>
Budget Casual / Temp Direct Labor \$ / Lb Manufactured	\$ 0.009
Actual Casual / Temp Direct Labor - Consolidated	\$ 115
Deduct:	
Actual Casual / Temp Direct Labor - Terrebonne	\$ 36
Actual Casual / Temp Direct Labor - Extrusion & Compounding	<u>\$ 78</u>
Actual Casual / Temp Direct Labor \$/Lb Manufactured	<u>\$ 0.010</u>

Executive Summary

Financial Review

Full Year Financial Outlook

Governance Reporting

Appendix

Business Unit Analysis

Revenue and EBITDA Bridge

\$'000	MTD		QTD		YTD	
	Net Revenue	EBITDA	Net Revenue	EBITDA	Net Revenue	EBITDA
Budget	\$ 10,939	\$ 45	\$ 10,939	\$ 45	\$ 10,939	\$ 45
<u>Net Revenue Delta</u>						
Volume	714	130	714	130	714	130
Pricing	—	—	—	—	—	—
Mix	147	54	147	54	147	54
Discounts	12	12	12	12	12	12
Returns	(33)	(33)	(33)	(33)	(33)	(33)
Rebates	16	16	16	16	16	16
F/X	111	6	111	6	111	6
Total Net Revenue Delta	967	185	967	185	967	185
<u>Cost Delta</u>						
Absorption		(119)		(119)		(119)
SG&A		18		18		18
Variances		53		53		53
Other		(100)		(100)		(100)
Total Cost Delta		(148)		(148)		(148)
Actual	\$ 11,905	\$ 82	\$ 11,905	\$ 82	\$ 11,905	\$ 82

Management Discussion - MTD

- Extrusion external sales volume favorable by 5.8% or \$553K and higher external compound sales of \$344K partially offset by lower Terrebonne sales of \$183K contributing to the favorable volume impact of \$714K
- Favorable product/customer sales mix of \$147K primarily from Laval and Delmont
- Favorable F/X impact on sales of \$111K (actual rate of 1.3087 [or \$USD 0.7641] vs. Budget rate of 1.33 [or \$USD 0.7519]); Translation F/X impact on EBITDA is favorable by \$42K offset by an unfavorable realized balance sheet re-valuation impact of \$36K due to a change in the month-end rate from 1.3204 on December 31st, 2019 to 1.3225 on January 31st, 2020
- Favorable SG&A due to lower G&A labor costs of \$47K and lower OPEX spending (ie. T&E costs, marketing) of \$37K partially offset by a higher bad debts reserve of \$31K, bank audit fee of \$30K and other spends of \$5K
- Favorable variances of \$53K due to favorable resin material prices (net of higher TiO₂, glass, steel and aluminum pricing) and supplier rebates at ECS and Terrebonne of \$142K; partially offset by unfavorable yields, higher scrap costs and lower regrind usage at Woodbridge, Delmont & Everett of \$86K and slightly higher labor costs of \$3K (higher labor costs at Terrebonne offset by lower labor costs at Delmont and the receipt of the Compwise (WSIB) rebate in Everett)
- Other costs higher than Budget due to higher freight costs (customer mix) of \$42K, lower tool & die overhead recovery of \$45K and higher overhead spending (ie. Maintenance) of \$13K

Key Customers – Gross Sales and Gross Margin %: Consolidated

	Gross Sales (\$'000)															Gross Margin %																
	MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var		MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var	
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	\$	%	Act	Bud	BPs	%	Act	BPs	%	Act	Bud	BPs	%	Act	BPs	%	
Customer:																																
PGT Industries Inc	\$	2,144	\$	1,907	\$	238	12.5%	\$	1,906	\$	238	12.5%	\$	2,144	\$	1,907	\$	238	12.5%													
Eclipse Shutter Systems		1,388		1,167		220	18.9%		1,160		227	19.6%		1,388		1,167		220	18.9%													
Simonton		523		693		(170)	(24.5%)		693		(170)	(24.5%)		523		693		(170)	(24.5%)													
Atis		542		659		(118)	(17.9%)		655		(113)	(17.3%)		542		659		(118)	(17.9%)													
Quaker Window Products		625		514		111	21.6%		454		170	37.5%		625		514		111	21.6%													
Polaris Technologies		560		470		90	19.1%		415		145	34.9%		560		470		90	19.1%													
All Weather		303		289		15	5.0%		186		117	63.2%		303		289		15	5.0%													
SOLARIS QUEBEC P & F INC.		439		317		122	38.4%		304		135	44.5%		439		317		122	38.4%													
Cascade		265		319		(54)	(16.8%)		326		(61)	(18.7%)		265		319		(54)	(16.8%)													
A.M.I.		222		222		0	0.0%		221		0	0.2%		222		222		0	0.0%													
Windsor Window Co OEM		510		297		213	71.7%		276		234	84.6%		510		297		213	71.7%													
Coeur d'Alene		304		317		(13)	(4.0%)		282		22	7.9%		304		317		(13)	(4.0%)													
Vinyl-Pro Window Systems Inc		113		74		39	52.7%		71		42	58.7%		113		74		39	52.7%													
Dashwood Industries Inc		189		117		72	61.4%		132		57	43.0%		189		117		72	61.4%													
ATLANTIC WINDOWS		12		14		(2)	(13.5%)		2		11	667.6%		12		14		(2)	(13.5%)													
Ostaco 2000		155		235		(80)	(34.0%)		270		(114)	(42.4%)		155		235		(80)	(34.0%)													
Sierra Pacific Windows		209		250		(41)	(16.4%)		281		(72)	(25.6%)		209		250		(41)	(16.4%)													
PORTES & FENETRES ABRITEK		59		112		(54)	(47.8%)		86		(27)	(31.5%)		59		112		(54)	(47.8%)													
Vinyl Profiles, LLC		287		219		68	31.2%		231		56	24.2%		287		219		68	31.2%													
SCHLUTER SYSTEMS L.P.		230		56		175	314.3%		53		177	332.3%		230		56		175	314.3%													
Other		3,401		3,256		145	4.5%		3,533		(133)	(3.8%)		3,401		3,256		145	4.5%													
Total Gross	\$	12,481	\$	11,504	\$	977	8.5%	\$	11,539	\$	942	8.2%	\$	12,481	\$	11,504	\$	977	8.5%	\$	11,539	\$	942	8.2%	\$	12,481	\$	11,504	\$	977	8.5%	

Management Discussion

- PGT – Strong performance in January largely due to large Capstock orders.
- Eclipse– Strong sales as they look to fill up new warehouse in Mexico.
- Atis, Simonton & Ostaco – lower orders continuing from Q4 2019
- Strong sales from Quaker and Solaris fueled by recent launches
- Large orders from Windsor during the month improving sales over budget.
- Cascade coming in lower vs budget possibly due to timing

Non-Top 20 Customers: Consolidated

<u>Customer</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Prior Year</u>	<u>Variance</u>
New Business	249	-	249	-	249
Compound	412	271	141	313	98
Lost	102	10	91	360	(259)
CAN	1,352	1,838	(486)	1,582	(229)
US	1,287	1,136	151	1,278	9
	<u>3,401</u>	<u>3,256</u>	<u>146</u>	<u>3,533</u>	<u>(132)</u>

Management Discussion

- New ECS business from Delcan and Fence Outlet who buy on an ad-hoc basis hence unbudgeted for January. However still stronger than anticipated
- Other ECS customers performing well with Nuform and Vinyl Profiles being the major contributors to the increase
- Lost business from Van Isle, Clera, Ventana, Wardco and KP accounting for majority of the shortfall from prior year
- Softer market conditions and slow startups affecting some Canadian customers like Isothermic and Melco (Atis)
- Strong performance in the US from Western and Coastal

Pipeline Roll-Forward

\$'000	Expected Contract Win Value	
	MTD	YTD
Opening Pipeline	\$ 60,978	\$ 60,978
Additions	11,867	11,867
Changes:		
Converted	(6,773)	(6,773)
Lost	(358)	(358)
Other	(1,595)	(1,595)
Total Net Changes	(8,726)	(8,726)
Closing Pipeline	\$ 64,119	\$ 64,119

Management Discussion

- Addition of six Terrebonne patio door opportunities worth \$5,537K
- Addition of eight extrusion plant opportunities worth \$6,030K and 4,025K LBs
- Addition of two ECS compound opportunities worth \$300K and 300K LBs

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			
ATIS	TERREBONNE	Pierre Lafleur	N	Full Patio Door Conversion	PD	Jan 20	Jan 20	100%	PH Tech	Jan-20	TBD	\$ 3,077		
Coeur D'Alene	EVERETT	US WEST	Y	425 Multi-Slide	Window	Jan 20	Jan 20	100%	Other	Apr-20	TBD	\$ 150		
BB Encore	EVERETT	Simon Fitzgerald	N	Anlin Window system	Window	Jan 20	Jan 20	100%	Chinese	Apr-20	TBD	\$ 250	180	
Marlboro	WOODBIDGE	Pierre Lafleur	Y	New Designs	Window	Jan 20	Jan 20	100%	Other	Apr-20	TBD	\$ 154	100	
Boulet	LAVAL	Pierre Lafleur	N	SH/DH Hybrid	Window	Jan 20	Jan 20	100%	Other	Aug-20	TBD	\$ 115		
Atlantic Windows	LAVAL	Jean Marois	Y	SH Frame	Window	Jan 20	Jan 20	100%	Other	Apr-20	TBD	\$ 54	45	
Lorendo	TERREBONNE	Samuel St-Pierre	Y	Patio doors	PD	Jan 20	Jan 20	100%	PH Tech	Apr-20	TBD	\$ 115		
Coté	TERREBONNE	Samuel St-Pierre	N	Orchestra and Performer	PD	Jan 20	Jan 20	100%	Novatech	Mar-20	TBD	\$ 115		
AMI	TERREBONNE	Simon Fitzgerald	Y	Custom Patio Doors-fully Assembled	PD	Jan 20	TBD	90%	Other	TBD	TBD	\$ 192		
Moss Supply	WOODBIDGE	Simon Fitzgerald	N	Single Hung	Window	Jan 20	TBD	50%	Chelsea	Sep-20	TBD	\$ 3,000	2,000	
Eclipse	WOODBIDGE	Simon Fitzgerald	Y	Light weight internet Shutter	Shutters	Jan 20	TBD	50%	Other	Apr-20	TBD	\$ 1,538	1,200	
Moss Supply	TERREBONNE	Simon Fitzgerald	N	Patio Doors	PD	Jan 20	TBD	Less than 50%	Other	Jul-20	TBD	\$ 500		
Pollard Windows	TERREBONNE	Simon Fitzgerald	N	Patio Doors	PD	Jan 20	TBD	Less than 50%	Vision	TBD	TBD	\$ 1,538		
All Weather Windows	LAVAL	Simon Fitzgerald	Y	4600 Series	Window	Jan 20	TBD	50%	Other	TBD	TBD	\$ 769	500	
Vinyl Profile	ECS	Munish Jain	Y	substrate formulation	Compound	Jan 20	Jan 20	100%	Other	TBD	TBD	\$ 200	200	
Window seal	ECS	Munish Jain	Y	High TiO2 formulation	Compound	Jan 20	Jan 20	100%	Polyone	TBD	TBD	\$ 100	100	
												\$ 11,867	4,325	

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											
ATIS	Pierre Lafleur	N	Full Patio Door Conversion	PH Tech	Jan 20	Jan-20	TBD	\$ (3,077)		3	
Coeur D'Alene	US WEST	Y	425 Multi-Slide	Other	Jan 20	Apr-20	TBD	\$ (150)		5	
BB Encore	Simon Fitzgerald	N	Anlin Window system	Chinese	Jan 20	Apr-20	TBD	\$ (250)	(180)	2	
Marlboro	Pierre Lafleur	Y	New Designs	Other	Jan 20	Apr-20	TBD	\$ (154)	(100)	3	
Boulet	Pierre Lafleur	N	SH/DH Hybrid	Other	Jan 20	Aug-20	TBD	\$ (115)		5	
Atlantic Windows	Jean Marois	Y	SH Frame	Other	Jan 20	Apr-20	TBD	\$ (54)	(45)	2	
Lorendo	Samuel St-Pierre	Y	Patio doors	PH Tech	Jan 20	Apr-20	TBD	\$ (115)		1	
Coté	Samuel St-Pierre	N	Orchestra and Performer	Novatech	Jan 20	Mar-20	TBD	\$ (115)		5	
Fenetre Concept	Pierre Lafleur	Y	PVC Cladding	Other	Jan 20	Dec-20	TBD	\$ (58)	(25)	5	
Vinyl Profile	Munish Jain	Y	substrate formulation	Other	Jan 20	Jan-20	TBD	\$ (200)	(200)	5	
Window seal	Munish Jain	Y	High TiO2 formulation	Polyone	Jan 20	Jan-20	TBD	\$ (100)	(100)	5	
Delcan	Munish Jain	N	3242 clour 122	Polyone	Jan 20	Jan-20	TBD	\$ (385)	(500)	5	
Fence Outlet	Munish Jain	N	Fence	Aurora	Jan 20	Jan-20	TBD	\$ (2,000)	(2,000)	5	
								\$ (6,773)	(3,150)		
LOST											
Accord	Munish Jain	N	8007 W1285 / Rigid interior natural L6182	Polyone	N/A	N/A	N/A	\$ (300)	(300)	4	
Artik	Pierre Lafleur	N	PD Lineal	PH Tech	N/A	N/A	N/A	\$ (58)	(37)	4	
								\$ (358)	(337)		
OTHER											
Delcan	Munish Jain	N	3242 clour 122	Polyone	Jan 20	Jan-20	TBD	\$ (1,195)	(1,500)	7	Revised Estimate
Fence Outlet	Munish Jain	N	Fence	Aurora	Jan 20	Jan-20	TBD	\$ (400)	(400)	7	Revised Estimate
								\$ (1,595)	(1,900)		
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
AMI	\$	192	-	\$	-	TBD	TBD	TBD							Custom Patio Doors-fully Assembled
Gentek	\$	2,308	1,700	\$	1,095	TBD	TBD	TBD							Full Program. Still waiting on decision. Gentek strategy is to run Veka and ENERGI and allow ENERGI to cannibilize Veka programs.
Hometime	\$	200	100	\$	75	TBD	TBD	TBD							Customer still reviewing casement
Eclipse	\$	1,538	1,200	\$	-	TBD	TBD	TBD							Light weight internet Shutter
Simonton	\$	1,154	1,500	\$	-	TBD	TBD	TBD							Dual stucco wall Slider
Centennial	\$	115	75	\$	-	TBD	TBD	TBD							New Slider Frame
Simonton	\$	769	1,000	\$	-	TBD	TBD	TBD							New Multi slide/425 door
Futura	\$	77	50	\$	25	TBD	TBD	TBD							
Vinylpro	\$	385	300	\$	-	TBD	TBD	TBD							
Seymour Windows	\$	1,429	1,000	\$	241	TBD	TBD	TBD							4 1/2" Casement
Westek	\$	77	50	\$	-	TBD	TBD	TBD							Working on new formulation and design
Cascade	\$	16,500	15,000	\$	-	TBD	TBD	TBD							Multi-Track Door
All Weather	\$	3,077	3,700	\$	-	TBD	TBD	TBD							Launch Hung/Slidr other locations
Magistral	\$	1,538	1,000	\$	-	TBD	TBD	TBD							Convert supplier for remaining business
Avanti	\$	1,000	700	\$	-	TBD	TBD	TBD							4600 Series with some custom
ATI	\$	500	300	\$	450	TBD	TBD	TBD							FullProgram - Dark Cap
Gentek	\$	1,538	-	\$	-	TBD	TBD	TBD							West Coast Contemporary series (shared capital)
Dalmen	\$	192	125	\$	-	TBD	TBD	TBD							Patio Door program
Entreprises AM	\$	577	350	\$	-	TBD	TBD	TBD							Opera lineal program from Soni Plastics
Euroclad Windows	\$	100	50	\$	-	TBD	TBD	TBD							4600 Series
Mason Windows	\$	192	160	\$	-	TBD	TBD	TBD							Multi Track Door
Vaillancourt	\$	769	500	\$	-	TBD	TBD	TBD							Contemporary Casement
Durabuilt	\$	385	250	\$	-	TBD	TBD	TBD							Opera lineal
All Weather	\$	192	50	\$	-	TBD	TBD	TBD							4600 Series
All Weather	\$	769	500	\$	-	TBD	TBD	TBD							Orchestra
All Weather	\$	769	500	\$	-	TBD	TBD	TBD							4600 Series
TOTAL EXISTING CUSTOMERS															
<div><div>\$</div><div>39,573</div><div>\$</div><div>32,160</div><div>\$</div><div>1,886</div></div>															
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>															

Total Closing Pipeline – New Extrusions and Patio Doors

\$ and units '000

Customer Name	Total Contract Value			1x Costs	Contract Timing			Sales Process Status						Comments	
	\$	Units ('000s Lbs)			Start Date	End Date	Length (Yrs)	Initial Interaction (5%)	Pursuit (15%)	Designing (25%)	Proposal (40%)	Negotiation (60%)	Finalizing Agreement (90%)		Signed Contract (100%)
New Customers															
Gilkey	\$	600	370	\$	400	TBD	TBD	TBD							In final stages; seeking 5 year agreement
Fenetres Contemporaine	\$	58	\$	75	\$	-	TBD	TBD	TBD						Hybrid Casement
Reflec	\$	154	\$	200	\$	-	TBD	TBD	TBD						Patio Door Program
Del Windows	\$	731	\$	-	\$	-	TBD	TBD	TBD						Patio Door Program
Del Windows	\$	1,538	\$	1,000	\$	-	TBD	TBD	TBD						Woodbridge Platform
Atelier Jean Cyr	\$	38	\$	50	\$	-	TBD	TBD	TBD						Hybrid hung
Verdun	\$	769		500	\$	-	TBD	TBD	TBD						4600 Casement
Elite	\$	308		200	\$	-	TBD	TBD	TBD						In early discussions
Formtech	\$	231		100	\$	-	TBD	TBD	TBD						Tilt/Turn, 4600 Series
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
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
Moss Supply	\$	3,000		2,000	\$	-	TBD	TBD	TBD						Single Hung
Moss Supply	\$	500			\$	-	TBD	TBD	TBD						Patio Doors
Pollard Windows	\$	1,538			\$	-	TBD	TBD	TBD						Patio Doors
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



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

\$ and units '000															
Customer Name	Total Contract Value			1x Costs	Contract Timing			Sales Process Status							Comments
	\$	Units ('000s Lbs)			Start Date	End Date	Length (Yrs)	Initial Interaction (5%)	Pursuit (15%)	Designing (25%)	Proposal (40%)	Negotiation (60%)	Finalizing Agreement (90%)	Signed Contract (100%)	
<u>Existing Customers</u>															
TOTAL EXISTING CUSTOMERS	\$	-	-	\$	-										
<u>New Customers</u>															
Mor-X Plastics	\$	200	200	\$	-	TBD	TBD	TBD	<div><div></div><div></div></div>						Formulation approved
TOTAL NEW CUSTOMERS	\$	200	\$	200	\$	-									
Total External Compound Sales	\$	200	200	\$	-										
TOTAL SALES PIPELINE	\$	64,119	51,180	\$	2,386										
<u>Legend</u>															
<div><div></div>Complete</div>															
<div><div></div>In process, on track</div>															
<div><div></div>In process, delayed</div>															
<div><div></div>In process, at risk</div>															

YTD Opex Analysis

\$'000

	YTD			Explanation of Variance						Variance Impact		
	Act	Bud	Variance (B) / W	One-Time / Non-recurring	Timing	Change in Run-rate	Other/FX	Total Variance (B) / W	YoY Impact (B) / W	Annualized (B) / W		
Payroll	\$ 833	\$ 879	\$ (47)	\$ (56)	\$ -	\$ -	\$ 9	\$ (47)	\$ (49)	\$ -		
Bonus	\$ 62	\$ 62	\$ 1	\$ -	\$ -	\$ -	\$ 1	1	\$ (50)	\$ -		
Commissions	\$ 29	\$ 24	\$ 5	\$ 5	\$ -	\$ -	\$ 0	5	\$ 10	\$ -		
Marketing	\$ 53	\$ 71	\$ (17)	\$ -	\$ (18)	\$ -	\$ 1	(17)	\$ (41)	\$ -		
Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -		
Travel and entertainment	\$ 69	\$ 89	\$ (20)	\$ (21)	\$ -	\$ -	\$ 1	(20)	\$ (39)	\$ -		
Rent and facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -		
Insurance	\$ 24	\$ 29	\$ (5)	\$ -	\$ (5)	\$ -	\$ 0	(5)	\$ (5)	\$ -		
Professional fees	\$ 54	\$ 46	\$ 8	\$ 7	\$ -	\$ -	\$ 1	8	\$ 9	\$ -		
Office expense	\$ 23	\$ 19	\$ 4	\$ 4		\$ -	\$ 0	4	\$ 0	\$ -		
IT	\$ 153	\$ 152	\$ 1	\$ -	\$ -	\$ (2)	\$ 2	1	\$ (14)	\$ -		
Bad Debts	\$ 31	\$ (0)	\$ 31	\$ 30	\$ -	\$ -	\$ 0	31	\$ 14	\$ -		
FX	\$ 36	\$ -	\$ 36	\$ -	\$ -	\$ -	\$ 36	36	\$ 157	\$ -		
JV Loss (Income)	\$ (31)	\$ (9)	\$ (22)	\$ -	\$ -	\$ (23)	\$ 0	(22)	\$ (26)	\$ -		
Other Expenses	\$ 109	\$ 82	\$ 26	\$ -	\$ 24	\$ -	\$ 2	26	\$ 10	\$ -		
Total Opex	\$ 1,443	\$ 1,443	\$ 0	\$ (31)	\$ 2	\$ (24)	\$ 54	\$ 0	\$ (22)	\$ -		

Management Discussion

- Lower payroll largely due to budgeted hire of 3 US Sales staff and Terrebonne Plant Manager offset by a unfavorable FX
- Marketing expenses lower due to timing
- Travel and entertainment budgeted for US Sales staff not hired.
- Higher professional fees on account of hiring fees for Woodbridge controller and financial cost analyst at Everett
- Top up of Bad Debts provision to cover Quebec exposures (Gem, Extreme, Fenergic and Proline)
- Other expenses include Bank of America audit review fee

1x Costs

\$'000

	YTD			Explanation of Variance						Variance Impact	
	Variance			Change in						Total Variance	Total Change in Estimate
	Act	AOP	B / (W)	Estimate	Timing	Other				B / (W)	B / (W)
Banking	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Environmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Insight Sourcing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
IT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Legal Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Professional Fees	\$ 170	\$ 162	\$ (8)	\$ -	\$ (42)	\$ 34				\$ (8)	\$ -
Mgmt Incentive	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Laval Water Damage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Profit Velocity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
CAD Transfer Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
TSA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Employee Restructuring Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
Total 1X Costs	\$ 170	\$ 162	\$ (8)	\$ -	\$ (42)	\$ 34				\$ (8)	\$ -

Management Discussion

- Professional Fees include costs incurred for the following projects:
 - Woodbridge Productivity Improvement initiative with DB&A of \$162K;
 - Project Panther costs of \$35K;
 - Freight and logistics initiative with Smart Ventures of \$4K;
 - Executive Coaching from Management Tools Inc. of \$3K;
 - partially offset by a refund of WSIB NEER premium for Woodbridge \$34K

Balance Sheet

\$'000	Dec-19 Act	Oct-19 Act	Nov-19 Act	Dec-19 Act	Jan-20		Variance	
					Act	Bud	\$	%
Current Assets								
Cash and cash equivalents	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 0	16.1%
Short term investments	—	—	—	—	—	—	—	N/A
<i>Accounts receivable, gross</i>	9,246	14,965	14,538	9,246	11,246	9,631	1,615	16.8%
<i>Accounts receivable, reserves</i>	(561)	(504)	(534)	(561)	(582)	(472)	(110)	23.4%
Accounts receivable, net	8,685	14,460	14,004	8,685	10,663	9,159	1,504	16.4%
<i>Inventory, gross</i>	31,428	33,944	32,086	31,428	31,650	33,817	(2,167)	(6.4%)
<i>Inventory, reserves</i>	(2,031)	(1,801)	(1,840)	(2,031)	(1,994)	(1,863)	(132)	7.1%
Inventory, net	29,397	32,143	30,246	29,397	29,656	31,955	(2,299)	(7.2%)
Prepaid expenses and other current assets	3,221	3,866	3,405	3,221	3,193	3,774	(581)	(15.4%)
Other current assets	835	894	958	835	769	681	88	12.9%
Total Current Assets	42,141	51,367	48,617	42,141	44,284	45,571	(1,287)	(2.8%)
Non-Current Assets								
<i>Property, plant & equipment, gross</i>	73,423	71,741	71,977	73,423	73,055	73,365	(310)	(0.4%)
<i>Accumulated depreciation</i>	(27,272)	(25,492)	(26,136)	(27,272)	(27,815)	(27,565)	(251)	0.9%
Property, plant & equipment, net	46,151	46,249	45,842	46,151	45,240	45,800	(561)	(1.2%)
Deferred financing cost	399	423	407	399	381	375	6	1.6%
Deferred tax asset	2,987	2,963	2,940	2,987	2,695	1,344	1,351	100.5%
Other non-current assets	2,863	2,825	2,813	2,863	2,850	2,662	188	7.1%
Total Non-Current Assets	52,399	52,461	52,002	52,399	51,165	50,181	984	2.0%
Total Assets	\$ 94,540	\$ 103,828	\$ 100,618	\$ 94,540	\$ 95,450	\$ 95,752	\$ (303)	(0.3%)
Current Liabilities								
Bank Debt	\$ 14,452	\$ 17,396	\$ 14,798	\$ 14,452	\$ 17,079	\$ 17,683	\$ (604)	(3.4%)
Current Portion - Long Term Debt	1,690	1,677	1,663	1,690	1,669	1,662	8	0.5%
Accounts payable	12,974	13,366	13,935	12,974	12,313	12,711	(398)	(3.1%)
Accrued liabilities	2,752	3,923	3,625	2,752	3,167	3,464	(297)	(8.6%)
Accrued compensation	2,007	4,461	3,591	2,007	2,754	3,373	(619)	(18.4%)
Income taxes payable	13	419	572	13	13	21	(8)	(36.8%)
Contingent consideration	—	1,301	1,301	—	—	—	—	N/A
Other current liabilities	111	115	84	111	107	158	(51)	(32.2%)
Total Current Liabilities	34,000	42,657	39,568	34,000	37,102	39,071	(1,969)	(5.0%)
Long-term liabilities								
Long-term debt less current maturities	10,799	10,985	10,753	10,799	10,519	10,468	51	0.5%
Deferred income taxes	9,799	9,757	9,716	9,799	9,479	9,456	23	0.2%
Other non-current liabilities	1,618	1,598	1,584	1,618	1,595	1,428	167	11.7%
Total Long-Term Liabilities	22,216	22,340	22,053	22,216	21,593	21,352	241	1.1%
Total Liabilities	56,216	64,997	61,622	56,216	58,695	60,423	(1,728)	(2.9%)
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	26,544	27,099	27,319	26,544	25,015	23,706	1,308	5.5%
Accumulated other comprehensive income	(830)	(878)	(933)	(830)	(870)	(987)	117	(11.9%)
Total Shareholders' Equity	38,324	38,831	38,997	38,324	36,754	35,329	1,425	4.0%
Total Liabilities and Shareholders' Equity	\$ 94,540	\$ 103,828	\$ 100,618	\$ 94,540	\$ 95,450	\$ 95,752	\$ (303)	(0.3%)

Management Discussion

- Net A/R vs. Budget is up by \$1,504K (16.4 %) due to higher sales vs budget by 9% or \$966K and a favorable F/X impact of \$58K (actual rate of 1.3225 [or USD\$ 0.76] vs. the Budget rate of 1.33 [or USD\$ 0.76]) offset by increase in reserves by \$30K
- Inventory levels lower on account of higher sales as well as production slowdown in PD to remain aligned with order intake
- Decrease in Prepaid expenses vs Bud due timing of payments on expenditure of \$639K; offset by higher Non-inventory stock by \$47K
- Increase in Other current assets vs Bud attributed to higher receivable related to Customer Tooling of \$65K and Input Tax credits receivable of \$23K
- Other non-current assets higher by 7.1% or \$188K vs Bud due to a higher JV equity income in the month and a favorable F/X impact (actual rate of 1.3225 [or USD\$ 0.76] vs. the Budget rate of 1.33 [or USD\$ 0.76])
- Decrease in exposure with Bank due to pay down of outstanding on Revolver; offset by increase in payables
- Decrease in Accrued Compensation due to reduction in bonus accrual (\$1,400K) and reduction in payroll accrual due to timing of payroll funding at year end

Cash Flow Statement

\$'000	MTD		Variance		PY-MTD		Variance		YTD		Variance		PY YTD		Variance									
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	ACT	\$	%										
Cash flow from operations																								
Net Income (Loss)	\$	(1,509)	\$	(1,196)	\$	(312)	26.1%	\$	(886)	\$	(623)	70.3%	\$	(1,509)	\$	(1,196)	\$	(312)	26.1%	\$	(886)	\$	(623)	70.3%
Depreciation, amortization and other		814		770		44	5.7%		708		107	15.1%		814		770		44	5.7%		708		107	15.1%
Non-cash loss/expense (gain)		405		(177)		582	(328.2%)		(161)		566	(351.3%)		405		(177)		582	(328.2%)		(161)		566	(351.3%)
Deferred income tax		(320)		(343)		23	(6.8%)		143		(463)	(322.9%)		(320)		(343)		23	(6.8%)		143		(463)	(322.9%)
Change in operating assets and liabilities:																								
Accounts receivable		(1,978)		(474)		(1,504)	317.6%		(195)		(1,783)	915.8%		(1,978)		(474)		(1,504)	317.6%		(195)		(1,783)	915.8%
Inventory		(259)		(2,558)		2,299	(89.9%)		(2,782)		2,523	(90.7%)		(259)		(2,558)		2,299	(89.9%)		(2,782)		2,523	(90.7%)
Prepaid expenses and other current assets		94		(399)		493	(123.5%)		(64)		158	(246.9%)		94		(399)		493	(123.5%)		(64)		158	(246.9%)
Accounts payable		(661)		(263)		(398)	151.1%		(984)		323	(32.9%)		(661)		(263)		(398)	151.1%		(984)		323	(32.9%)
Accrued expenses		1,162		2,078		(917)	(44.1%)		673		489	72.7%		1,162		2,078		(917)	(44.1%)		673		489	72.7%
Accrued income taxes		–		8		(8)	(100.0%)		58		(58)	(100.0%)		–		8		(8)	(100.0%)		58		(58)	(100.0%)
Other changes in operating assets and liabilities		(4)		47		(51)	(108.7%)		4		(8)	(206.3%)		(4)		47		(51)	(108.7%)		4		(8)	(206.3%)
Other cash flow from operations		–		–		–	N/A		–		–	N/A		–		–		–	N/A		–		–	N/A
Total Cash Flow from Operations	\$	(2,256)	\$	(2,508)	\$	252	(10.0%)	\$	(3,487)	\$	1,231	(35.3%)	\$	(2,256)	\$	(2,508)	\$	252	(10.0%)	\$	(3,487)	\$	1,231	(35.3%)
Cash flow from investing																								
Additions to property, plant and equipment	\$	(230)	\$	(584)	\$	354	(60.6%)	\$	(489)	\$	259	(52.9%)	\$	(230)	\$	(584)	\$	354	(60.6%)	\$	(489)	\$	259	(52.9%)
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	\$	(230)	\$	(584)	\$	354	(60.6%)	\$	(489)	\$	259	(52.9%)	\$	(230)	\$	(584)	\$	354	(60.6%)	\$	(489)	\$	259	(52.9%)
Cash flow from financing																								
Proceeds from the issuance (repayment) of short-term debt	\$	2,626	\$	3,230	\$	(604)	(18.7%)	\$	4,118	\$	(1,491)	(36.2%)	\$	2,626	\$	3,230	\$	(604)	(18.7%)	\$	4,118	\$	(1,491)	(36.2%)
Proceeds from the issuance of debt		(0)		–		(0)	N/A		(0)		0	(99.9%)		(0)		–		(0)	N/A		(0)		0	(99.9%)
Repayment of debt		(140)		(138)		(2)	1.3%		(138)		(2)	1.3%		(140)		(138)		(2)	1.3%		(138)		(2)	1.3%
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	\$	2,486	\$	3,092	\$	(606)	(19.6%)	\$	3,979	\$	(1,493)	(37.5%)	\$	2,486	\$	3,092	\$	(606)	(19.6%)	\$	3,979	\$	(1,493)	(37.5%)
Effect of FX rates on cash and cash equivalents	\$	–	\$	–	\$	–	N/A	\$	–	\$	–	N/A	\$	–	\$	–	\$	–	N/A	\$	–	\$	–	N/A
Net change in cash	\$	(0)	\$	(0)	\$	0	(95%)	\$	3	\$	(3)	(100.7%)	\$	(0)	\$	(0)	\$	0	(94.9%)	\$	3	\$	(3)	(100.7%)
Beginning cash		3		3		0	0.0%		0		3	815681.2%		3		3		0	0.0%		0		3	815681.2%
Change in cash		(0)		(0)		0	(95%)		3		(3)	(100.7%)		(0)		(0)		0	(94.9%)		3		(3)	(100.7%)
Ending cash	\$	3	\$	3	\$	0	16.1%	\$	3	\$	(0)	(5.7%)	\$	3	\$	3	\$	0	16.1%	\$	3	\$	(0)	(5.7%)

Covenant Analysis

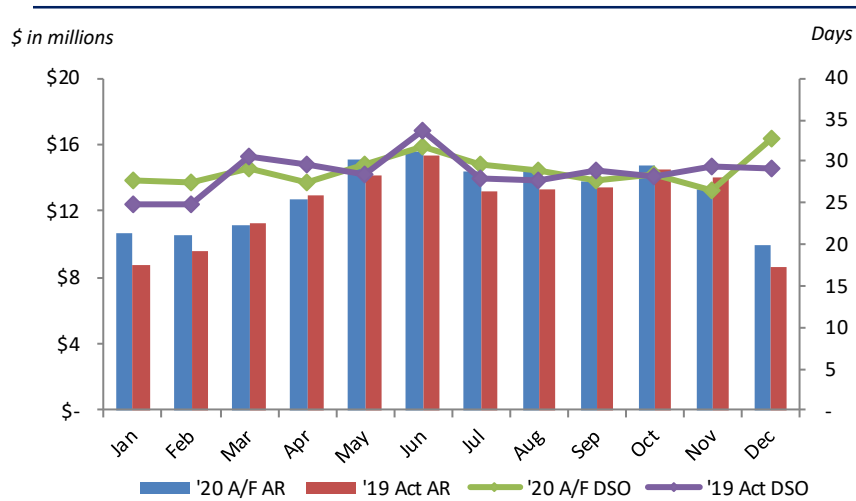
(US\$ '000s)	Act Dec-19	Act Jan-20	Bud Feb-20	Bud Mar-20	Bud Apr-20	Bud May-20	Bud Jun-20	Bud Jul-20	Bud Aug-20	Bud Sep-20	Bud Oct-20	Bud Nov-20	Bud Dec-20
Excess Availability													
Borrowing Base	27,369	23,561	24,678	23,368	23,124	26,536	29,285	29,048	26,611	26,386	28,202	27,706	26,542
Total Revolver Debt	14,452	17,079	17,701	17,361	16,891	20,353	21,853	21,252	19,511	18,925	19,283	18,346	18,075
Excess Availability	12,917	6,482	6,977	6,007	6,233	6,183	7,432	7,796	7,100	7,461	8,919	9,360	8,467
EA % of Borrowing Base	47.2%	27.5%	28.3%	25.7%	27.0%	23.3%	25.4%	26.8%	26.7%	28.3%	31.6%	33.8%	31.9%
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	10,244	9,949	9,167	9,997	10,459	11,195	10,444	11,299	12,062	12,120	12,509	12,395	11,705
Total Capex	672	230	531	789	448	519	805	761	386	500	522	288	288
TTM Capex	6,807	6,548	6,548	6,777	6,777	6,777	6,777	6,777	6,777	6,777	6,777	6,451	6,066
Cash Taxes	650	1	-	-	-	-	-	-	-	-	-	-	-
TTM Cash Taxes	1,408	1,409	1,321	786	651	651	651	651	651	651	651	651	1
Numerator	2,029	1,991	1,297	2,434	3,031	3,767	3,016	3,872	4,634	4,692	5,081	5,293	5,638
Cash Interest on existing ABL	194	156	222	221	220	220	219	218	218	217	217	216	215
Cash Interest on additional debt	-	-	-	-	-	-	-	-	-	-	-	-	-
TTM Cash Interest	2,158	2,159	2,215	2,247	2,284	2,305	2,338	2,365	2,394	2,429	2,471	2,539	2,560
Principal Payments on additional debt	140	140	138	138	138	138	138	138	138	138	138	138	138
TTM Principal Payments	1,665	1,667	1,666	1,667	1,667	1,669	1,669	1,667	1,667	1,666	1,665	1,665	1,664
Denominator	3,823	3,825	3,881	3,913	3,951	3,974	4,006	4,032	4,061	4,095	4,136	4,203	4,223
FCCR Ratio	0.5	0.5	0.3	0.6	0.8	0.9	0.8	1.0	1.1	1.1	1.2	1.3	1.3
Minimum FCC	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Compliance	Breach	Breach	Breach	Breach	Breach	Breach	Breach	OK	OK	OK	OK	OK	OK

13-Week Cash Flow Forecast

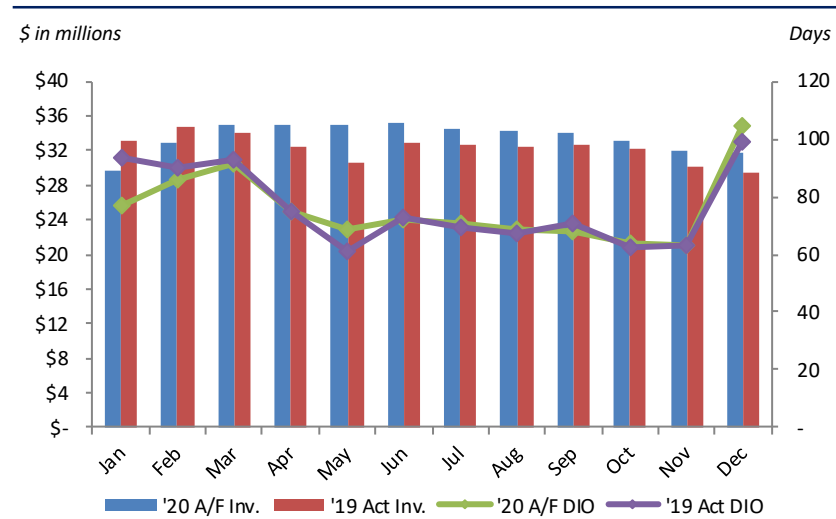
Date	02/07/20	02/14/20	02/21/20	02/28/20	03/06/20	03/13/20	03/20/20	03/27/20	04/03/20	04/10/20	04/17/20	04/24/20	05/01/20
Cash Flow Roll-Up:													
Total Inflows - Operational	2,046	2,183	3,032	3,516	4,313	4,209	4,001	3,639	2,976	3,030	2,915	2,938	2,949
Receipts from Customers based on AR /	1,637	1,773	2,253	1,910	2,104	1,674	1,330	986	301	301	-	-	-
New Net External Sales	-	-	370	1,197	1,801	2,101	2,236	2,219	2,241	2,295	2,337	2,360	2,370
New Affiliate Sales	409	409	408	408	408	434	434	434	434	434	578	578	578
Total Outflows - Operational	(2,320)	(958)	(4,989)	(2,312)	(2,966)	(4,490)	(3,857)	(3,249)	(3,142)	(3,346)	(2,387)	(2,455)	(3,108)
Payments to Suppliers based on AP Agin	(877)	(1,071)	(1,120)	(446)	(496)	(677)	(999)	(754)	(697)	(525)	(230)	0	0
Materials	(565)	(188)	(451)	(827)	(1,284)	(1,284)	(1,660)	(1,509)	(1,209)	(1,266)	(1,492)	(1,341)	(1,717)
Conversion Costs	(359)	(329)	(339)	(328)	(776)	(243)	(330)	(260)	(772)	(207)	(420)	(539)	(1,090)
Other COGS	(30)	(82)	(20)	(144)	(20)	(140)	(21)	(146)	(27)	(146)	(57)	(125)	(96)
Selling Costs	(48)	(245)	(38)	(259)	(38)	(284)	(39)	(273)	(41)	(239)	(41)	(143)	(46)
General and Administrative	(79)	(283)	(66)	(252)	(66)	(240)	(67)	(250)	(69)	(284)	(69)	(230)	(83)
Intercompany Material Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0
Capex	0	0	0	(15)	(15)	(15)	(15)	(15)	(39)	(39)	(39)	(36)	(36)
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Fees	0	0	(250)	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
TSA Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0
Performance Payment to Westlake	0	0	0	0	0	0	0	0	0	0	0	0	0
One Time Costs	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)
Restructuring Charges	0	0	0	0	0	0	0	0	0	0	0	0	0
Bonus payment	0	0	0	0	(230)	(169)	0	0	0	0	0	0	0
Material received but not invoiced	(322)	1,282	(2,664)	0	0	(1,398)	(686)	0	0	(600)	0	0	0
Projected Operational Cash Flow	(274)	1,224	(1,957)	1,204	1,347	(281)	144	391	(166)	(316)	528	483	(159)
Cash receipts more (less) than projectio	385	784	0	0	0	0	0	0	0	0	0	0	0
Cash outflows less (more) than projectio	12	(948)	0	0	0	0	0	0	0	0	0	0	0
(Adjustment)	0	1,333	0	0	0	0	0	0	0	0	0	0	0
(Adjustment)	0	0	0	0	0	0	0	0	0	0	0	0	0
(Adjustment)	0	0	0	0	0	0	0	0	0	0	0	0	0
Actual Operational Cash Flow	123	2,394	(1,957)	1,204	1,347	(281)	144	391	(166)	(316)	528	483	(159)
Bank interest	(153)	0	0	(9)	(139)	0	0	0	(175)	0	0	0	(173)
Bridge Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0
Term Loan	(139)	0	0	(19)	(119)	0	0	0	(138)	0	0	0	(138)
Monitoring Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Inflows/Outflows	0	0	0	0	0	0	0	0	0	0	0	0	0
Transaction Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Bank Fees	(3)	0	(10)	(2)	0	(4)	(6)	0	(3)	0	(9)	0	(3)
Total Financial Cash Flow	(294)	0	(10)	(30)	(258)	(4)	(6)	0	(316)	0	(9)	0	(314)
Total Cash Flow	(171)	2,394	(1,967)	1,174	1,089	(284)	138	391	(481)	(316)	519	483	(473)
Adjusted Loan Balance	17,400	15,432	17,356	16,183	15,094	15,379	15,241	14,850	15,331	15,648	15,129	14,645	15,119
Term Loan	12,002	12,018	11,989	11,969	11,850	11,850	11,850	11,850	11,712	11,712	11,712	11,712	11,573
Total Debt	29,402	27,450	29,345	28,152	26,944	27,229	27,091	26,700	27,043	27,359	26,840	26,357	26,692
Revolver Availability	6,024	8,012	5,801	6,974	8,063	7,778	8,518	8,909	8,427	8,111	8,630	6,724	6,251
Friday Cash Receipts	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Per Loan Ledger	29,402	27,450	29,345	28,152	26,944	27,229	27,091	26,700	27,043	27,359	26,840	26,357	26,692

Working Capital and Cash Conversion Cycle

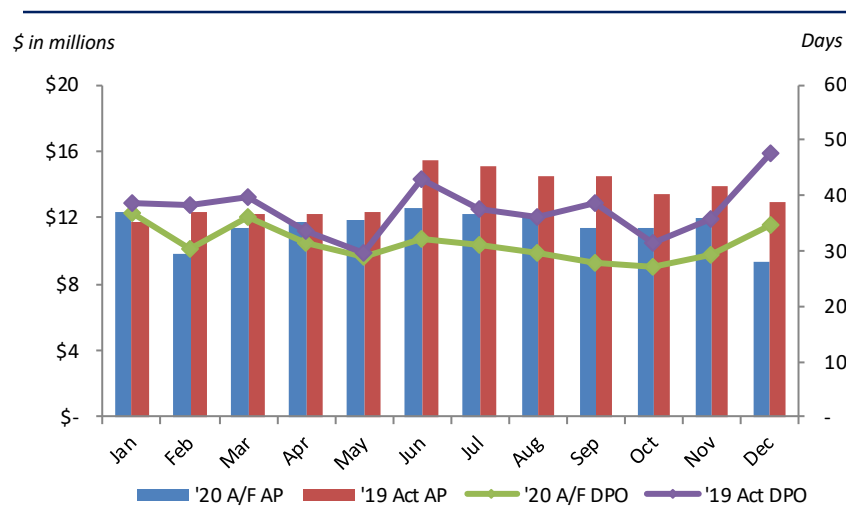
Accounts Receivable



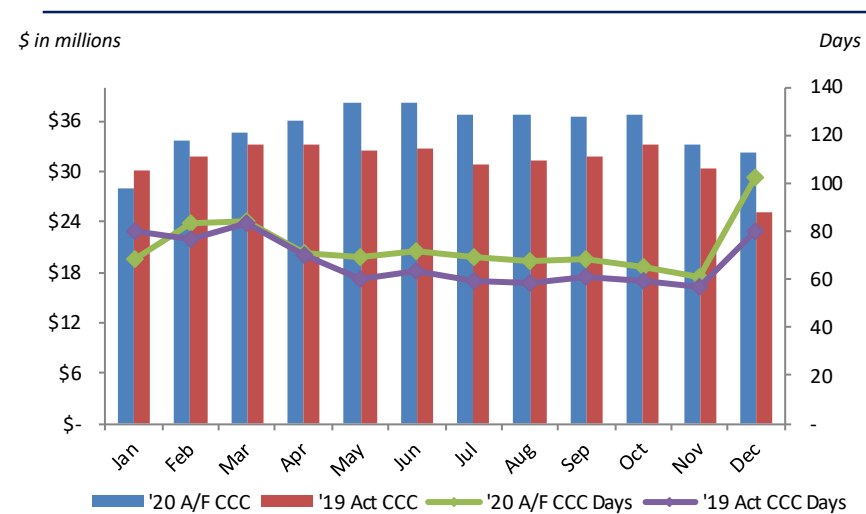
Inventory



Accounts Payable



Cash Conversion Cycle



AR and AP Aging Detail

\$'000

AR Aging				
Days	Nov-19	Dec-19	Jan-20	%
0-30	\$ 11,255	\$ 5,843	\$ 9,478	88.9%
30-60	2,009	1,966	899	8.4%
60-90	270	314	154	1.4%
>90	471	562	132	1.2%
Total	\$ 14,004	\$ 8,685	\$ 10,663	100.0%

AP Aging				
Days	Nov-19	Dec-19	Jan-20	%
0-30	\$ 11,054	\$ 8,469	\$ 10,677	86.7%
30-60	2,549	3,779	1,382	11.2%
60-90	294	684	181	1.5%
>90	38	42	73	0.6%
Total	\$ 13,935	\$ 12,974	\$ 12,313	100.0%

Management Discussion

- DSO days reduced to 28 due to drop in the 30+ dpd despite increase sales and receivables
- Decrease in DPO days from 46 to 37 due to timing of payments that were delayed during the holidays

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Full Year Outlook Consolidated P&L Summary

\$'000	FY		Var		PY	Var	
	Fsct	Bud	\$	%	Act	\$	%
Units Produced ('000)	99,636	99,042	594	0.6%	97,151	2,485	2.6%
Units Shipped ('000)	100,263	99,426	837	0.8%	96,500	3,762	3.9%
Bookings (\$'000)	\$ 175,207	\$ 173,296	\$ 1,911	1.1%	\$ 162,586	\$ 12,621	7.8%
Backlog (\$'000)	\$ 8,450	\$ 8,450	\$ –	0.0%	\$ 8,430	\$ 20	0.2%
Gross Revenue	\$ 174,540	\$ 173,563	\$ 977	0.6%	\$ 166,852	\$ 7,688	4.6%
Adj. to Gross Revenue	(9,020)	(9,009)	(10)	0.1%	(8,598)	(422)	4.9%
Net Revenue	165,520	164,554	967	0.6%	158,254	7,267	4.6%
Material	81,712	81,128	584	0.7%	77,754	3,958	5.1%
Labor	35,513	35,452	61	0.2%	35,294	220	0.6%
Other COGS	18,818	18,534	284	1.5%	18,932	(114)	(0.6%)
Total COGS	136,043	135,114	929	0.7%	131,980	4,063	3.1%
Gross Margin	29,477	29,440	37	0.1%	26,274	3,204	12.2%
Gross Margin %	17.8%	17.9%			16.6%		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	6,463	6,505	(41)	(0.6%)	6,659	(196)	(2.9%)
Administrative	11,040	11,012	28	0.3%	10,335	705	6.8%
Other Opex	(99)	(112)	13	(12.0%)	(291)	192	(66.0%)
Total Opex	17,405	17,405	0	0.0%	16,704	701	4.2%
EBITDA	12,073	12,036	37	0.3%	9,570	2,503	26.2%
EBITDA %	7.3%	7.3%			6.0%		
Net Income (Loss)	\$ (3,810)	\$ (3,497)	\$ (312)	8.9%	\$ (3,485)	\$ (325)	9.3%
Capex	\$ (6,066)	\$ (6,501)	\$ 435	(6.7%)	\$ (6,807)	\$ 741	(10.9%)
Opex Overview:							
Payroll	\$ 10,139	\$ 10,185	\$ (47)	(0.5%)	\$ 9,929	\$ 210	2.1%
Bonus	741	740	1	0.1%	62	679	1091.0%
Commissions	278	273	5	1.9%	247	31	12.6%
Marketing	1,081	1,098	(17)	(1.6%)	1,596	(515)	(32.3%)
Benefits	–	–	–	N/A	–	–	N/A
Travel and entertainment	1,125	1,145	(20)	(1.8%)	1,069	56	5.2%
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	328	333	(5)	(1.5%)	317	11	3.5%
Professional fees	599	591	8	1.4%	671	(72)	(10.7%)
Office Expenses	265	261	4	1.5%	256	9	3.6%
IT	1,882	1,881	1	0.0%	1,860	22	1.2%
Bad Debts	27	(4)	31	(856.5%)	174	(146)	(84.3%)
FX	36	–	36	N/A	(145)	181	(124.5%)
JV Loss (Income)	(134)	(112)	(22)	19.7%	(146)	11	(7.8%)
Other Expenses	1,039	1,013	26	2.6%	814	225	27.6%
Total Opex	\$ 17,405	\$ 17,405	\$ 0	0.0%	\$ 16,704	\$ 701	4.2%

Full Year Outlook Key Customers – ENERGI Consolidated

	Gross Sales (\$'000)									Gross Margin %										
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var				
	Act	Bud	\$	%	Act	\$	%	Act	\$	%	Act	Bud	BPs	%	Act	BPs	%			
Customer:																				
PGT Industries Inc	\$	22,810	\$	22,572	\$	238	1.1%	\$	21,951	\$	859			21.5%	25.0%	(347)	(13.9%)	15.6%	595	38.1%
Eclipse Shutter Systems		13,935		13,715		220	1.6%		13,334		601			2.4%	3.4%	(99)	(29.0%)	3.8%	(137)	(36.1%)
Simonton		9,330		9,500		(170)	(1.8%)		9,562		(232)			19.5%	2.8%	1,673	603.3%	(15.4%)	3,489	(226.8%)
Atis		10,670		10,787		(118)	(1.1%)		9,467		1,202			11.7%	19.0%	(725)	(38.2%)	8.6%	312	36.2%
Quaker Window Products		6,204		6,093		111	1.8%		5,858		346			58.9%	46.2%	1,270	27.5%	9.1%	4,980	547.0%
Polaris Technologies		6,065		5,975		90	1.5%		5,042		1,023			14.5%	12.8%	168	13.1%	20.8%	(636)	(30.6%)
All Weather		5,270		5,256		15	0.3%		4,545		725			53.6%	45.9%	778	17.0%	9.9%	4,377	443.9%
SOLARIS QUEBEC P & F INC.		4,596		4,474		122	2.7%		4,265		330			24.5%	22.2%	224	10.1%	16.2%	825	50.9%
Cascade		4,143		4,197		(54)	(1.3%)		3,716		427			(15.6%)	1.4%	(1,702)	(1210.9%)	8.8%	(2,441)	(277.5%)
A.M.I.		4,227		4,227		0	0.0%		3,628		600			7.6%	27.1%	(1,949)	(71.9%)	12.6%	(504)	(39.8%)
Windsor Window Co OEM		4,166		3,952		213	5.4%		4,303		(137)			52.3%	49.4%	289	5.9%	0.0%	5,227	N/A
Coeur d'Alene		3,743		3,755		(13)	(0.3%)		3,684		58			6.7%	4.5%	217	48.3%	5.4%	130	24.1%
Vinyl-Pro Window Systems Inc		3,648		3,609		39	1.1%		3,328		320			72.7%	54.6%	1,815	33.3%	5.9%	6,679	1127.3%
Dashwood Industries Inc		3,634		3,562		72	2.0%		3,445		189			43.6%	46.0%	(238)	(5.2%)	18.8%	2,485	132.4%
ATLANTIC WINDOWS		269		271		(2)	(0.7%)		245		24			(0.2%)	145.5%	(14,567)	(100.1%)	12.3%	(1,253)	(101.6%)
Ostaco 2000		2,909		2,989		(80)	(2.7%)		3,019		(110)			16.6%	26.1%	(946)	(36.3%)	15.4%	120	7.8%
Sierra Pacific Windows		2,845		2,886		(41)	(1.4%)		2,861		(16)			9.0%	9.9%	(93)	(9.3%)	0.5%	851	1795.3%
PORTES & FENETRES ABRITEK		2,836		2,890		(54)	(1.9%)		3,175		(339)			24.3%	33.6%	(929)	(27.7%)	16.0%	829	51.9%
Vinyl Profiles, LLC		2,816		2,748		68	2.5%		2,797		19			10.0%	12.7%	(276)	(21.7%)	3.8%	621	165.5%
SCHLUTER SYSTEMS L.P.		2,575		2,400		175	7.3%		2,664		(89)			22.1%	24.9%	(289)	(11.6%)	6.3%	1,579	251.9%
Other		57,849		57,704		145	0.3%		55,961		1,888			7.0%	(82.6%)	8,963	(108.5%)	28.1%	(2,107)	(75.0%)
Total Gross	\$	174,540	\$	173,563	\$	977	0.6%	\$	166,852	\$	7,688			17.0%	17.1%	(8)	(0.5%)	15.7%	123	7.8%

Management Discussion

- PGT – Strong performance in January largely due to large Capstock orders.
- Eclipse– Strong sales as they look to fill up new warehouse in Mexico.
- Atis, Simonton & Ostaco – lower orders continuing from Q4 2019
- Strong sales from Quaker and Solaris fueled by recent launches
- Large orders from Windsor during the month improving sales over budget.
- Cascade coming in lower vs budget possibly due to timing

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Management Governance Report

Disclosure Committee:

- Members include: CEO, CFO, VP Sales, VP Manufacturing & VP Supply Chain
- Meeting held on February 12th, 2020
- Financial results were reviewed and found to be complete and accurate in all material respects
- CEO & CFO reviewed Board presentation separately and found to be complete

Anonymous Hotline:

- Hotline Phone call received on January 15th, 2019 from an anonymous Delmont employee
 - Individual has issued a misconduct/inappropriate behavior complaint against the Delmont Quality Control Manager, indicating that the employees exhibited unprofessional behavior
 - Quality Control Manager is a 15 year employee and has never been disciplined for this type of behavior (some attendance issues from time to time)
 - Individual has been suspended without pay for 10 days
 - Plant Manager will conduct townhall meetings during the week of Jan. 27th to address harassment and violence in the workplace and reiterate that ENERGI will not tolerate this type of behavior
 - Meeting held at Delmont; no further actions required

Modification of Delegation of Authority:

- No changes recommended at this time

Management Governance Report (Continued)

A)	Requests for waivers or out-of-the-ordinary course approvals under the Internal Control and Corporate Governance Matrix, Code of Ethics or any internal control:	None
B)	Any conflicts of interest or the appearance of any such conflict or potential conflict:	None
C)	Any actual or apparent weakness or inadequacy in the Company's policies of internal controls and financial reporting:	None
D)	Any reports or complaints regarding accounting, internal accounting controls or auditing matters.	None

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Squeeze Report

Monthly P&L

Monthly EBITDA to Net Income Bridge

Cost of Goods Sold Variance Analysis

Monthly Cost of Goods Sold by Component

Monthly Balance Sheet

Balance Sheet – Year on Year Comparison

Monthly Cash Flow

Trended Monthly Bookings

Trended Monthly Backlog

EBITDA and EBITDA-CapEx

Y-o-Y% EBITDA change

Capital Expenditures

Headcount Trending by Month

Headcount Hires and Attrition

Liquidity Forecast

Business Unit Analysis

Squeeze Report

Monthly operating report (\$'000)

		Fully-diluted ownership		Fund		Invested	Realized	Unrealized	Total Value	MOI	
Investment date	3/31/2016	OpenGate Equity	94.8%	OCGP I	\$	26,000	\$	–	\$	46,435	0.6x
Operational data as of	1/31/2020	MGMT	5.3%	OCGP II		–		–		–	NA
Valuation details last updated:	9/30/2019	Other Equity	0.0%	OCGP III		–		–		–	NA
		Total	100.0%	Total	\$	26,000	\$	–	\$	46,435	0.6x

Operations											
Net Revenue						Adj. EBITDA				Net Debt	
	Act	Bud	Variance	PY	Variance	Act	Bud	Variance	PY	Variance	
This Month	\$ 11,905	\$ 10,939	8.8%	\$ 10,942	8.8%	\$ 82	\$ 45	82.5%	\$ 37	121.3%	\$ 29,264
Quarter to Date	\$ 11,905	\$ 10,939	8.8%	\$ 10,942	8.8%	\$ 82	\$ 45	82.5%	\$ 37	121.3%	\$ 29,810
Year to Date	\$ 11,905	\$ 10,939	8.8%	\$ 10,942	8.8%	\$ 82	\$ 45	82.5%	\$ 37	121.3%	\$ 28,263

LTM Trends (\$'000s)	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	11/30/19	12/31/19	1/31/20	LTM
Units Produced ('000)	7,371	8,389	7,725	8,493	8,905	8,339	9,076	8,551	9,067	8,304	5,147	8,094	97,459
Units Shipped ('000)	6,590	7,230	8,092	9,414	8,083	9,001	8,865	8,508	9,699	8,621	5,458	7,842	97,402
Net Revenue	\$ 10,785	\$ 11,404	\$ 13,094	\$ 15,515	\$ 13,593	\$ 14,669	\$ 14,926	\$ 13,879	\$ 15,932	\$ 14,307	\$ 9,209	\$ 11,905	\$ 159,217
Gross Margin	1,755	1,910	2,201	2,645	2,773	2,217	2,502	2,638	2,711	2,633	788	1,525	26,297
Gross Margin %	16.3%	16.7%	16.8%	17.0%	20.4%	15.1%	16.8%	19.0%	17.0%	18.4%	8.6%	12.8%	16.5%
SG&A	1,496	1,438	1,520	1,579	1,394	1,531	1,553	1,630	1,569	934	595	1,443	16,682
Reported EBITDA	259	472	680	1,066	1,379	687	949	1,008	1,142	1,699	192	82	9,615
Rep. EBITDA %	2.4%	4.1%	5.2%	6.9%	10.1%	4.7%	6.4%	7.3%	7.2%	11.9%	2.1%	0.7%	6.0%
Adj. EBITDA	259	472	680	1,066	1,379	687	949	1,008	1,142	1,699	192	82	9,615
Adj. EBITDA %	2.4%	4.1%	5.2%	6.9%	10.1%	4.7%	6.4%	7.3%	7.2%	11.9%	2.1%	0.7%	6.0%
Capex	\$ (531)	\$ (560)	\$ (448)	\$ (519)	\$ (805)	\$ (761)	\$ (386)	\$ (500)	\$ (522)	\$ (614)	\$ (672)	\$ (230)	\$ (6,549)

Accounts Receivable, Net	\$ 9,536	\$ 11,214	\$ 12,944	\$ 14,190	\$ 15,313	\$ 13,196	\$ 13,308	\$ 13,414	\$ 14,460	\$ 14,004	\$ 8,685	\$ 10,663	\$ 10,663
Inventory, Net	34,642	34,150	32,557	30,697	32,887	32,705	32,363	32,765	32,143	30,246	29,397	29,656	29,656
Accounts Payable	12,319	12,200	12,267	12,359	15,487	15,146	14,498	14,476	13,366	13,935	12,974	12,313	12,313
CCC	\$ 31,859	\$ 33,165	\$ 33,234	\$ 32,527	\$ 32,713	\$ 30,755	\$ 31,172	\$ 31,703	\$ 33,238	\$ 30,315	\$ 25,108	\$ 28,006	\$ 28,006
DSO	24.8	30.5	29.7	28.4	33.8	27.9	27.6	29.0	28.1	29.4	29.2	27.8	24.4
DSI	89.9	92.8	74.6	61.3	72.6	69.1	67.2	70.8	62.5	63.4	99.0	77.2	68.0
DPO	38.2	39.8	33.8	29.8	42.9	37.7	36.2	38.6	31.3	35.8	47.8	36.8	33.8
C2C	76.5	83.5	70.5	59.9	63.4	59.3	58.7	61.2	59.3	57.0	80.4	68.2	58.6
Bank revolver	\$ 16,533	\$ 18,750	\$ 19,505	\$ 19,025	\$ 17,818	\$ 17,338	\$ 16,897	\$ 16,663	\$ 17,396	\$ 14,798	\$ 14,452	\$ 17,079	\$ 17,079
Unclassified external debt / OID	13,779	13,318	13,257	13,058	13,270	13,079	12,825	12,727	12,662	12,417	12,490	12,188	12,188
OpenGate debt	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Debt Outstanding	30,311	32,068	32,761	32,084	31,088	30,418	29,721	29,390	30,057	27,215	26,942	29,267	29,267
Cash and equivalents	3	3	3	3	3	3	3	3	3	3	3	3	3
Total Net Debt	\$ 30,308	\$ 32,065	\$ 32,758	\$ 32,080	\$ 31,085	\$ 30,415	\$ 29,718	\$ 29,387	\$ 30,055	\$ 27,212	\$ 26,939	\$ 29,264	\$ 29,264
Beginning Cash Balance	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Add / (Less): Operating Cash Flow	(1,522)	(1,520)	(168)	1,136	2,150	1,381	966	873	(71)	3,350	1,157	(2,256)	5,477
Add / (Less): Investing Cash Flow	(531)	(560)	(448)	(519)	(805)	(761)	(386)	(500)	(522)	(614)	(672)	(230)	(6,549)
Add / (Less): Financing Cash Flow	2,054	2,080	616	(617)	(1,345)	(620)	(580)	(373)	593	(2,737)	(485)	2,486	1,072
Effect of FX rates / Other	–	–	–	–	–	–	–	–	–	–	–	–	–
Ending Cash Balance	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3

Long-term trend, budget, IC comparison														
Calendar year ending				Actual		LTM Actual		IC Model			Variance to IC			
Summary Financials	12/31/2015	12/31/2016	12/31/2017	12/31/2018	1/31/2020			12/31/2016	12/31/2017	12/31/2018	LTM v 2017 IC	%	2018 FC v IC	%
Total Net Revenue	\$ –	\$ 170,742	\$ 158,254	\$ 165,520	\$ 159,217									
EBITDA, Reported	–	12,278	9,570	12,073	9,615									
EBITDA, Reported %	N/A	7.2%	6.0%	7.3%	6.0%									
EBITDA, Adjusted	–	12,278	9,570	12,073	9,615									
EBITDA, Adjusted %	N/A	7.2%	6.0%	7.3%	6.0%									
Accounts Receivable, Net	–	11,660	8,685	9,970	10,663									
Inventory, Net	–	27,470	29,397	31,753	29,656									
Accounts Payable	–	7,504	12,974	9,386	12,313									
CCC	–	31,626	25,108	32,337	28,006									
Net Debt	\$ –	\$ 3,014	\$ 26,939	\$ 28,679	\$ 29,264									

Monthly P&L

\$'000	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var		PY	Var	
	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
Units Produced ('000)	8,094	7,782	8,598	8,588	9,448	8,893	8,670	8,857	8,529	8,984	8,235	4,959	99,636	99,042	594	0.6%	97,151	2,485	2.6%
Units Shipped ('000)	7,842	6,915	7,440	8,508	9,636	8,899	9,223	9,241	8,678	9,501	8,852	5,527	100,263	99,426	837	0.8%	96,500	3,762	3.9%
Bookings (\$'000)	\$ 13,481	\$ 11,955	\$ 12,479	\$ 15,172	\$ 16,613	\$ 15,411	\$ 16,267	\$ 16,318	\$ 16,225	\$ 16,533	\$ 15,847	\$ 8,906	\$ 175,207	\$ 173,296	\$ 1,911	1.1%	\$ 162,586	\$ 12,621	7.8%
Backlog ('\$000)	\$ 9,606	\$ 9,101	\$ 9,007	\$ 9,302	\$ 9,122	\$ 9,292	\$ 9,541	\$ 8,966	\$ 9,471	\$ 8,878	\$ 9,485	\$ 8,450	\$ 8,450	\$ 8,450	\$ –	0.0%	\$ 8,430	\$ 20	0.2%
Gross Revenue	\$ 12,481	\$ 11,610	\$ 12,439	\$ 14,722	\$ 16,646	\$ 15,456	\$ 15,906	\$ 16,377	\$ 15,889	\$ 17,108	\$ 16,018	\$ 9,886	\$ 174,540	\$ 173,563	\$ 977	0.6%	\$ 166,852	\$ 7,688	4.6%
Adj. to Gross Revenue	(576)	(516)	(586)	(759)	(849)	(811)	(811)	(864)	(920)	(976)	(885)	(467)	(9,020)	(9,009)	(10)	0.1%	(8,598)	(422)	4.9%
Net Revenue	11,905	11,094	11,853	13,964	15,797	14,646	15,095	15,513	14,969	16,133	15,132	9,419	165,520	164,554	967	0.6%	158,254	7,267	4.6%
Material	5,974	5,546	5,871	6,758	7,819	7,157	7,434	7,624	7,593	8,109	7,650	4,175	81,712	81,128	584	0.7%	77,754	3,958	5.1%
Labor	3,012	2,832	2,937	3,117	3,116	2,980	2,957	3,017	2,983	3,007	2,826	2,730	35,513	35,452	61	0.2%	35,294	220	0.6%
Other COGS	1,395	1,054	954	1,394	1,753	1,614	1,787	1,938	1,740	1,886	1,855	1,448	18,818	18,534	284	1.5%	18,932	(114)	(0.6%)
Total COGS	10,381	9,432	9,762	11,269	12,688	11,751	12,179	12,580	12,315	13,002	12,331	8,352	136,043	135,114	929	0.7%	131,980	4,063	3.1%
Gross Margin	1,525	1,662	2,091	2,695	3,109	2,894	2,916	2,933	2,653	3,131	2,801	1,067	29,477	29,440	37	0.1%	26,274	3,204	12.2%
Gross Margin %	12.8%	15.0%	17.6%	19.3%	19.7%	19.8%	19.3%	18.9%	17.7%	19.4%	18.5%	11.3%	17.8%	17.9%			16.6%		
R&D	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Sales & Marketing	490	569	510	513	534	544	551	531	571	532	579	538	6,463	6,505	(41)	(0.6%)	6,659	(196)	(2.9%)
Administrative	948	876	903	888	919	952	943	934	924	922	906	925	11,040	11,012	28	0.3%	10,335	705	6.8%
Other Opex	5	(2)	(6)	(12)	(18)	(4)	(8)	(6)	(5)	(21)	(14)	(8)	(99)	(112)	13	(12.0%)	(291)	192	(66.0%)
Total Opex	1,443	1,444	1,406	1,390	1,435	1,492	1,485	1,459	1,491	1,433	1,472	1,455	17,405	17,405	0	0.0%	16,704	701	4.2%
EBITDA	82	218	685	1,305	1,674	1,402	1,431	1,474	1,163	1,697	1,330	(388)	12,073	12,036	37	0.3%	9,570	2,503	26.2%
EBITDA %	0.7%	2.0%	5.8%	9.3%	10.6%	9.6%	9.5%	9.5%	7.8%	10.5%	8.8%	(4.1%)	7.3%	7.3%			6.0%		
Net Income (Loss)	\$ (1,509)	\$ (1,087)	\$ (1,382)	\$ (56)	\$ 360	\$ 153	\$ 184	\$ 251	\$ (17)	\$ 456	\$ 167	\$ (1,330)	\$ (3,810)	\$ (3,497)	\$ (312)	8.9%	\$ (3,485)	\$ (325)	9.3%
Capex	\$ (230)	\$ (531)	\$ (789)	\$ (448)	\$ (519)	\$ (805)	\$ (761)	\$ (386)	\$ (500)	\$ (522)	\$ (288)	\$ (288)	\$ (6,066)	\$ (6,501)	\$ 435	(6.7%)	\$ (6,807)	\$ 741	(10.9%)
Opex Overview:																			
Payroll	\$ 833	\$ 789	\$ 851	\$ 801	\$ 819	\$ 866	\$ 897	\$ 840	\$ 859	\$ 862	\$ 829	\$ 894	\$ 10,139	\$ 10,185	\$ (47)	(0.5%)	\$ 9,929	\$ 210	2.1%
Bonus	62	62	62	62	62	62	62	62	62	62	62	62	741	740	1	0.1%	62	679	1091.0%
Commissions	29	18	18	21	21	27	24	28	28	24	20	20	278	273	5	1.9%	247	31	12.6%
Marketing	53	140	65	90	100	86	82	80	101	77	129	78	1,081	1,098	(17)	(1.6%)	1,596	(515)	(32.3%)
Benefits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Travel and entertainment	69	109	89	89	97	89	92	97	105	90	109	91	1,125	1,145	(20)	(1.8%)	1,069	56	5.2%
Rent and facilities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Insurance	24	28	29	29	29	31	29	28	28	28	23	22	328	333	(5)	(1.5%)	317	11	3.5%
Professional fees	54	46	46	55	56	57	48	48	48	48	48	46	599	591	8	1.4%	671	(72)	(10.7%)
Office Expenses	23	20	21	21	23	22	22	23	24	23	23	20	265	261	4	1.5%	256	9	3.6%
IT	153	154	151	152	164	175	156	157	157	156	157	151	1,882	1,881	1	0.0%	1,860	22	1.2%
Bad Debts	31	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	27	(4)	31	(856.5%)	174	(146)	(84.3%)
FX	36	–	–	–	–	–	–	–	–	–	–	–	36	–	36	N/A	(145)	181	(124.5%)
JV Loss (Income)	(31)	(2)	(6)	(12)	(18)	(4)	(8)	(6)	(5)	(21)	(14)	(8)	(134)	(112)	(22)	19.7%	(146)	11	(7.8%)
Other Expenses	109	81	81	82	84	83	83	102	84	84	84	81	1,039	1,013	26	2.6%	814	225	27.6%
Total Opex	\$ 1,443	\$ 1,444	\$ 1,406	\$ 1,390	\$ 1,435	\$ 1,492	\$ 1,485	\$ 1,459	\$ 1,491	\$ 1,433	\$ 1,472	\$ 1,455	\$ 17,405	\$ 17,405	\$ 0	0.0%	\$ 16,704	\$ 701	4.2%

Monthly EBITDA to Net Income (Loss) Bridge

\$'000	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	FY	Var		PY	Var	
	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
EBITDA - as reported	\$ 82	\$ 218	\$ 685	\$ 1,305	\$ 1,674	\$ 1,402	\$ 1,431	\$ 1,474	\$ 1,163	\$ 1,697	\$ 1,330	\$ (388)	\$ 12,073	\$12,036	\$ 37	0.3%	\$ 9,570	\$ 2,503	26.2%
Depreciation and amortization	(814)	(776)	(778)	(802)	(808)	(815)	(822)	(828)	(831)	(831)	(837)	(842)	(9,783)	(9,739)	(44)	0.5%	(9,017)	(766)	8.5%
Interest and amortization	(156)	(222)	(221)	(220)	(220)	(219)	(218)	(218)	(217)	(217)	(216)	(215)	(2,560)	(2,622)	62	(2.4%)	(2,158)	(401)	18.6%
Other financial income/expense	(367)	–	–	–	–	–	–	–	–	–	–	–	(367)	–	(367)	N/A	1,044	(1,411)	(135.2%)
Monitoring fees (including expenses)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(999)	(1,000)	1	(0.1%)	(1,073)	73	(6.8%)
Restructuring costs	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	46	(46)	(100.0%)
Non-recurring items	(170)	(162)	(162)	(162)	(105)	(63)	–	–	–	–	–	–	(824)	(816)	(8)	1.0%	(1,249)	425	(34.0%)
Taxes	–	(63)	(822)	(93)	(97)	(68)	(124)	(94)	(49)	(111)	(27)	199	(1,349)	(1,357)	8	(0.6%)	(647)	(701)	108.3%
GAAP Net Income (Loss)	\$ (1,509)	\$ (1,087)	\$ (1,382)	\$ (56)	\$ 360	\$ 153	\$ 184	\$ 251	\$ (17)	\$ 456	\$ 167	\$ (1,330)	\$ (3,810)	\$ (3,497)	\$ (312)	8.9%	\$ (3,485)	\$ (325)	9.3%

Management Discussion

- Other financial income/expense relates to unrealized F/X (gain)/loss on \$USD debt held by Canadian entity; YTD F/X gain attributable to the change in the month-end rate from 1.3024 [USD\$0.77] on December 31, 2019 to 1.3225 [USD\$0.76] on January 31, 2020
- Non-recurring in January for Project Consultancy costs (ie. Beckway, DBA, Merrill, Smart Ventures)
- No Tax accrual in the US on account of loss in the US entity for January; Canadian deferred tax asset has not been increased since 2018 year end adjustments

Cost of Goods Sold Variance Analysis

\$'000	MTD	QTD	YTD
Material	5,390	5,390	5,390
Labor	2,951	2,951	2,951
Other COGS	1,110	1,110	1,110
COGS Budget	\$ 9,451	\$ 9,451	\$ 9,451
Variances:			
Volume	640	640	640
Price	(142)	(142)	(142)
Other	86	86	86
Material	584	584	584
Volume	62	62	62
Price	—	—	—
Other	(1)	(1)	(1)
Labor	61	61	61
Volume	166	166	166
Price	—	—	—
Other	118	118	118
Other COGS	284	284	284
COGS Actual	\$ 10,381	\$ 10,381	\$ 10,381

Management Discussion - MTD

- **Material COGS:** Increase of \$584K due to higher volume impact of \$640K (Sales volumes (lbs) higher by 11.9%), favorable resin material prices and supplier rebates offset by higher additive pricing & higher glass pricing of \$142K; offset by unfavorable yields lower regrind usage at Woodbridge, Delmont & Everett of \$86K (net of improved yields at Laval)
- **Labor COGS:** Higher costs due to volume impact of \$62K, additional headcount maintained in Terrebonne for the launch of newly awarded business (partially offset by lower headcount and temp labor in Delmont) of \$3K, and an unfavorable F/X impact of \$30K; partially offset by the receipt of the Compwise (WSIB) rebate in Everett of \$34K
- **Other COGS:** Increase of \$284K due to an unfavorable absorption impact of \$119K, higher freight costs of \$89K (volume impact of \$47K) as a result of higher sales volume & mix, lower tool & die overhead recovery of \$45K, an unfavorable F/X impact of \$18K and higher overhead spending (ie. maintenance) of \$13K

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	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
Material																			
Material costs at standard	\$ 6,109	\$ 5,495	\$ 5,722	\$ 6,689	\$ 7,666	\$ 6,920	\$ 7,268	\$ 7,424	\$ 7,357	\$ 7,959	\$ 7,548	\$ 4,078	\$ 80,235	\$ 79,561	\$ 674	0.8%	\$ 76,642	\$ 3,594	4.7%
Materials FX loss / (gain)	0	0	0	0	0	0	(0)	0	0	0	—	—	0	0	0	0.9%	1	(1)	(70.7%)
Purchase price variance	(85)	199	257	222	332	342	326	342	316	307	231	119	2,908	3,099	(191)	(6.2%)	2,184	724	33.2%
Supplier resin rebate	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A	—	—	N/A
Freight In	45	44	45	47	50	49	51	53	54	54	54	40	586	585	1	0.1%	546	40	7.3%
Scrap costs	(158)	(278)	(243)	(294)	(327)	(253)	(315)	(297)	(238)	(317)	(285)	(137)	(3,140)	(3,263)	123	(3.8%)	(2,628)	(512)	19.5%
Consumables	63	86	90	94	98	98	104	103	104	106	103	74	1,122	1,144	(22)	(1.9%)	1,009	113	11.2%
Total Material COGS	\$ 5,974	\$ 5,546	\$ 5,871	\$ 6,758	\$ 7,819	\$ 7,157	\$ 7,434	\$ 7,624	\$ 7,593	\$ 8,109	\$ 7,650	\$ 4,175	\$ 81,712	\$ 81,128	\$ 584	0.7%	\$ 77,754	\$ 3,958	5.1%
Labor																			
Direct labor	\$ 1,007	\$ 964	\$ 1,031	\$ 1,148	\$ 1,137	\$ 1,093	\$ 1,052	\$ 1,082	\$ 1,082	\$ 1,086	\$ 1,018	\$ 952	\$ 12,651	\$ 12,677	\$ (26)	(0.2%)	\$ 12,838	\$ (188)	(1.5%)
Direct labor - bonus	29	28	28	28	28	28	28	28	28	28	28	28	334	333	1	0.3%	116	218	187.2%
Direct labor - overtime	103	125	102	124	141	113	135	158	144	141	103	101	1,490	1,489	1	0.1%	1,376	115	8.3%
Direct labor - benefits	304	260	262	271	279	269	262	279	276	272	258	250	3,243	3,203	40	1.3%	3,074	169	5.5%
Direct labor - wcb benefits	7	19	20	21	21	21	21	21	22	22	20	20	237	250	(13)	(5.2%)	47	189	398.8%
Direct labor - other	(1)	1	5	1	1	1	1	1	1	1	1	1	12	13	(2)	(14.4%)	(9)	21	(223.8%)
Indirect labor	1,534	1,406	1,460	1,495	1,479	1,426	1,428	1,418	1,402	1,428	1,369	1,350	17,195	17,135	60	0.3%	17,711	(516)	(2.9%)
Indirect labor – bonus	29	28	28	28	28	28	28	28	28	28	28	28	334	333	1	0.3%	116	218	187.2%
Sub-contractor costs	—	1	2	1	1	1	2	2	1	2	2	1	17	18	(2)	(9.0%)	24	(7)	(29.8%)
Total Labor COGS	\$ 3,012	\$ 2,832	\$ 2,937	\$ 3,117	\$ 3,116	\$ 2,980	\$ 2,957	\$ 3,017	\$ 2,983	\$ 3,007	\$ 2,826	\$ 2,730	\$ 35,513	\$ 35,452	\$ 61	0.2%	\$ 35,294	\$ 220	0.6%
Other																			
Repairs and maintenance	\$ 118	\$ 54	\$ 62	\$ 54	\$ 57	\$ 68	\$ 59	\$ 62	\$ 43	\$ 60	\$ 35	\$ 25	\$ 696	\$ 645	\$ 51	7.9%	\$ 666	\$ 30	4.5%
Absorption	(235)	(550)	(690)	(259)	(12)	(156)	32	162	86	169	218	144	(1,091)	(1,260)	169	(13.4%)	(605)	(486)	80.2%
Freight out	669	586	617	677	712	700	715	713	677	710	660	465	7,901	7,792	109	1.4%	8,290	(390)	(4.7%)
Rent / facilities	143	219	195	195	193	222	220	222	222	191	196	199	2,416	2,467	(51)	(2.1%)	1,981	435	21.9%
Utilities	505	541	586	532	576	579	554	570	497	552	546	448	6,485	6,491	(6)	(0.1%)	6,194	291	4.7%
Other cost of sales	195	205	183	194	228	202	208	211	215	204	200	167	2,411	2,399	13	0.5%	2,406	5	0.2%
Total Other COGS	\$ 1,395	\$ 1,054	\$ 954	\$ 1,394	\$ 1,753	\$ 1,614	\$ 1,787	\$ 1,938	\$ 1,740	\$ 1,886	\$ 1,855	\$ 1,448	\$ 18,818	\$ 18,534	\$ 284	1.5%	\$ 18,932	\$ (114)	(0.6%)

Management Discussion

Material COGS: Increase of \$584K due to higher volume impact of \$640K (Sales volumes (lbs) higher by 11.9%), favorable resin material prices and supplier rebates offset by higher additive pricing & higher glass pricing of \$142K; offset by unfavorable yields lower regrind usage at Woodbridge, Delmont & Everett of \$86K (net of improved yields at Laval)

Labor COGS: Higher costs due to volume impact of \$62K, additional headcount maintained in Terrebonne for the launch of newly awarded business (partially offset by lower headcount and temp labor in Delmont) of \$3K, and an unfavorable F/X impact of \$30K; partially offset by the receipt of the Compwise (WSIB) rebate in Everett of \$34K

Other COGS: Increase of \$284K due to an unfavorable absorption impact of \$119K, higher freight costs of \$89K (volume impact of \$47K) as a result of higher sales volume & mix, lower tool & die overhead recovery of \$45K, an unfavorable F/X impact of \$18K and higher overhead spending (ie. maintenance) of \$13K

Monthly Balance Sheet

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var	
\$'000	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%
Current Assets																
Cash and cash equivalents	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ (0)	(10.3%)
Short term investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
<i>Accounts receivable, gross</i>	11,246	10,975	11,620	13,196	15,522	16,023	14,845	14,907	14,282	15,225	13,812	10,442	10,442	9,246	1,196	12.9%
<i>Accounts receivable, reserves</i>	(582)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(561)	89	(15.8%)
Accounts receivable, net	10,663	10,503	11,148	12,724	15,050	15,551	14,373	14,435	13,810	14,753	13,340	9,970	9,970	8,685	1,285	14.8%
<i>Inventory, gross</i>	31,650	34,790	36,782	36,920	36,868	37,113	36,552	36,294	36,088	35,279	34,037	33,817	33,817	31,428	2,389	7.6%
<i>Inventory, reserves</i>	(1,994)	(1,876)	(1,898)	(1,921)	(1,949)	(1,973)	(1,988)	(2,005)	(2,022)	(2,041)	(2,054)	(2,064)	(2,064)	(2,031)	(33)	1.6%
Inventory, net	29,656	32,914	34,883	34,998	34,920	35,139	34,565	34,289	34,067	33,238	31,983	31,753	31,753	29,397	2,356	8.0%
Prepaid expenses and other current assets	3,193	3,447	3,470	4,792	4,521	4,224	4,134	3,856	3,568	3,562	3,284	3,037	3,037	3,221	(184)	(5.7%)
Other current assets	769	769	704	690	836	894	945	889	1,330	1,507	1,711	755	755	835	(81)	(9.7%)
Total Current Assets	44,284	47,635	50,208	53,207	55,329	55,810	54,019	53,471	52,777	53,061	50,321	45,517	45,517	42,141	3,376	8.0%
Non-Current Assets																
<i>Property, plant & equipment, gross</i>	73,055	73,819	74,548	75,131	75,686	76,848	77,297	77,638	78,583	78,859	79,112	79,520	79,520	73,423	6,096	8.3%
<i>Accumulated depreciation</i>	(27,815)	(28,340)	(29,119)	(29,902)	(30,693)	(31,489)	(32,293)	(33,103)	(33,915)	(34,728)	(35,546)	(36,370)	(36,370)	(27,272)	(9,098)	33.4%
Property, plant & equipment, net	45,240	45,479	45,429	45,228	44,993	45,359	45,004	44,535	44,668	44,132	43,566	43,150	43,150	46,151	(3,002)	(6.5%)
Deferred financing cost	381	362	348	335	321	308	294	280	267	253	240	226	226	399	(173)	(43.3%)
Deferred tax asset	2,695	1,344	1,344	1,344	1,344	1,344	1,344	1,344	1,344	1,344	1,344	1,344	1,344	2,987	(1,643)	(55.0%)
Other non-current assets	2,850	2,661	2,690	2,714	2,742	2,758	2,762	2,784	2,779	2,795	3,200	3,256	3,256	2,863	393	13.7%
Total Non-Current Assets	51,165	49,846	49,812	49,621	49,400	49,769	49,404	48,943	49,057	48,523	48,349	47,975	47,975	52,399	(4,424)	(8.4%)
Total Assets	\$ 95,450	\$ 97,481	\$ 100,019	\$ 102,827	\$ 104,729	\$ 105,579	\$ 103,423	\$ 102,414	\$ 101,835	\$ 101,585	\$ 98,670	\$ 93,492	\$ 93,492	\$ 94,540	\$ (1,048)	(1.1%)
Current Liabilities																
Bank Debt	\$ 17,079	\$ 23,451	\$ 25,361	\$ 29,141	\$ 30,353	\$ 29,853	\$ 28,752	\$ 27,011	\$ 26,925	\$ 26,283	\$ 22,846	\$ 22,575	\$ 22,575	\$ 14,452	\$ 8,123	56.2%
Current Portion - Long Term Debt	1,669	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,690	(29)	(1.7%)
Accounts payable	12,313	9,845	11,394	11,758	11,857	12,575	12,167	12,084	11,386	11,338	12,040	9,386	9,386	12,974	(3,589)	(27.7%)
Accrued liabilities	3,167	3,246	3,454	3,324	3,393	3,664	3,316	3,489	3,585	3,578	3,296	2,923	2,923	2,752	171	6.2%
Accrued compensation	2,754	3,572	3,859	2,714	2,942	3,213	2,737	3,166	3,375	3,387	3,483	3,266	3,266	2,007	1,259	62.8%
Income taxes payable	13	83	179	272	369	438	562	655	704	815	842	643	643	13	630	4813.9%
Contingent consideration	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	N/A
Other current liabilities	107	157	158	158	158	157	158	157	156	156	156	156	156	111	45	40.2%
Total Current Liabilities	37,102	42,017	46,066	49,061	50,733	51,561	49,352	48,224	47,793	47,218	44,325	40,611	40,611	34,000	6,611	19.4%
Long-term liabilities																
Long-term debt less current maturities	10,519	10,329	10,191	10,052	9,914	9,775	9,637	9,498	9,360	9,221	9,083	8,944	8,944	10,799	(1,855)	(17.2%)
Deferred income taxes	9,479	9,456	9,456	9,456	9,456	9,456	9,456	9,456	9,456	9,456	9,456	9,456	9,456	9,799	(343)	(3.5%)
Other non-current liabilities	1,595	1,437	1,446	1,454	1,461	1,468	1,476	1,483	1,491	1,498	1,448	1,453	1,453	1,618	(165)	(10.2%)
Total Long-Term Liabilities	21,593	21,222	21,093	20,962	20,831	20,700	20,569	20,437	20,306	20,175	19,987	19,853	19,853	22,216	(2,363)	(10.6%)
Total Liabilities	58,695	63,239	67,159	70,023	71,564	72,261	69,921	68,661	68,099	67,393	64,312	60,464	60,464	56,216	4,248	7.6%
Commitments and contingencies																
Commitments and contingencies	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Shareholders' Equity																
Common stock	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	12,610	(0)	(0.0%)
Retained earnings	25,015	22,619	21,237	21,182	21,542	21,695	21,879	22,130	22,113	22,569	22,735	21,406	21,406	26,544	(5,138)	(19.4%)
Accumulated other comprehensive income	(870)	(987)	(987)	(987)	(987)	(987)	(987)	(987)	(987)	(987)	(987)	(987)	(987)	(830)	(157)	18.9%
Total Shareholders' Equity	36,754	34,242	32,860	32,804	33,165	33,318	33,502	33,753	33,736	34,191	34,358	33,028	33,028	38,324	(5,295)	(13.8%)
Total Liabilities and Shareholders' Equity	\$ 95,450	\$ 97,481	\$ 100,019	\$ 102,827	\$ 104,729	\$ 105,579	\$ 103,423	\$ 102,414	\$ 101,835	\$ 101,585	\$ 98,670	\$ 93,492	\$ 93,492	\$ 94,540	\$ (1,048)	(1.1%)

Balance Sheet – Year on Year Comparison

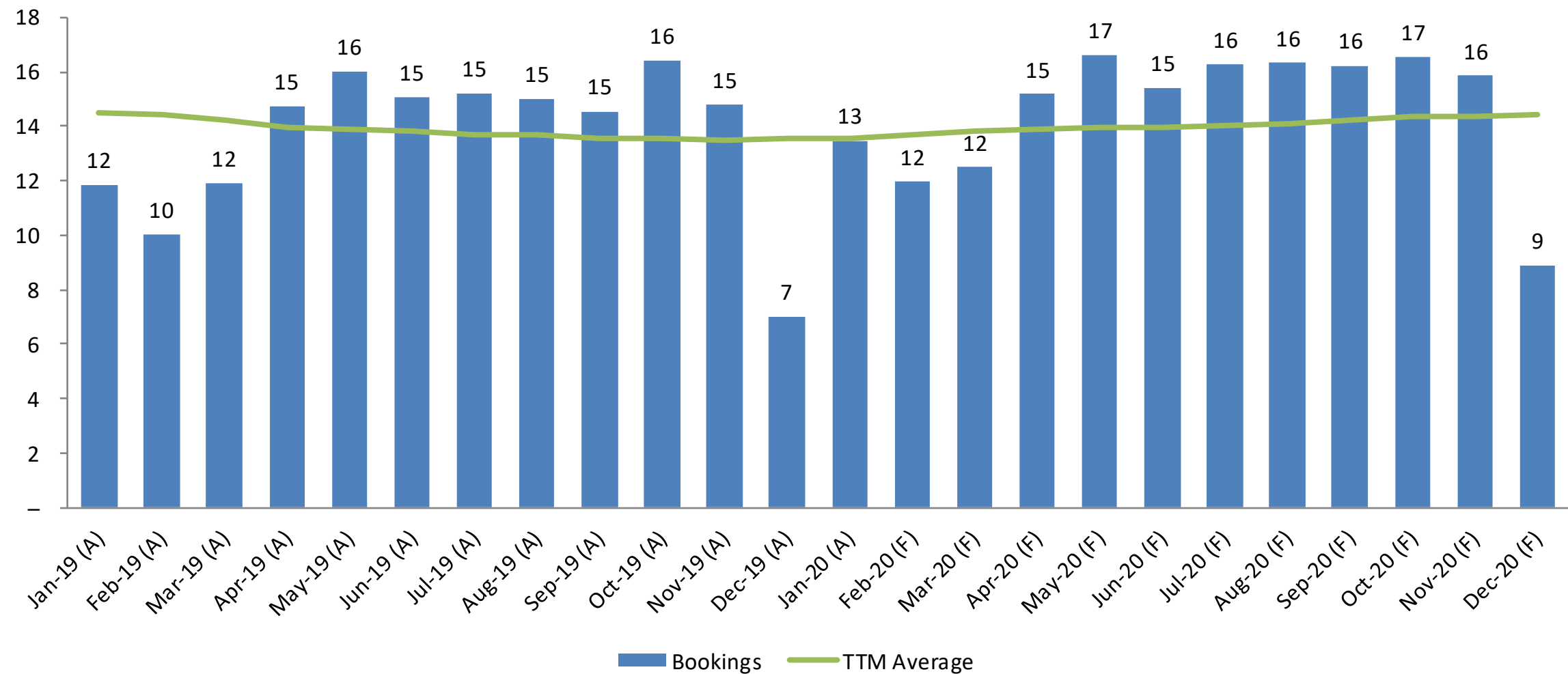
\$'000	YTD		Variance	
	CY	PY	\$	%
<u>Current Assets</u>				
Cash and cash equivalents	\$ 3	\$ 3	\$ (0)	(5.8%)
Short term investments	–	–	–	N/A
<i>Accounts receivable, gross</i>	11,246	9,182	2,064	22.5%
<i>Accounts receivable, reserves</i>	(582)	(393)	(190)	48.4%
Accounts receivable, net	10,663	8,789	1,874	21.3%
<i>Inventory, gross</i>	31,650	34,588	(2,937)	(8.5%)
<i>Inventory, reserves</i>	(1,994)	(1,497)	(498)	33.2%
Inventory, net	29,656	33,091	(3,435)	(10.4%)
Prepaid expenses and other current assets	3,193	3,145	48	1.5%
Other current assets	769	761	8	1.1%
Total Current Assets	44,284	45,790	(1,505)	(3.3%)
<u>Non-Current Assets</u>				
<i>Property, plant & equipment, gross</i>	73,055	66,687	6,368	9.5%
<i>Accumulated depreciation</i>	(27,815)	(18,755)	(9,060)	48.3%
Property, plant & equipment, net	45,240	47,932	(2,692)	(5.6%)
Deferred financing cost	381	546	(165)	(30.2%)
Deferred tax asset	2,695	2,961	(266)	(9.0%)
Other non-current assets	2,850	2,688	161	6.0%
Total Non-Current Assets	51,165	54,127	(2,962)	(5.5%)
Total Assets	\$ 95,450	\$ 99,917	\$ (4,467)	(4.5%)
<u>Current Liabilities</u>				
Bank Debt	\$ 17,079	\$ 14,340	\$ 2,739	19.1%
Current Portion - Long Term Debt	1,669	1,678	(9)	(0.5%)
Accounts payable	12,313	11,725	588	5.0%
Accrued liabilities	3,167	4,045	(879)	(21.7%)
Accrued compensation	2,754	2,492	262	10.5%
Income taxes payable	13	(189)	202	(106.9%)
Contingent consideration	–	1,301	(1,301)	(100.0%)
Other current liabilities	107	101	7	6.6%
Total Current Liabilities	37,102	35,493	1,609	4.5%
<u>Long-term liabilities</u>				
Long-term debt less current maturities	10,519	12,248	(1,730)	(14.1%)
Deferred income taxes	9,479	9,753	(274)	(2.8%)
Other non-current liabilities	1,595	1,525	71	4.6%
Total Long-Term Liabilities	21,593	23,526	(1,933)	(8.2%)
Total Liabilities	58,695	59,019	(324)	(0.5%)
Commitments and contingencies	–	–	–	N/A
<u>Shareholders' Equity</u>				
Common stock	12,610	12,610	–	0.0%
Retained earnings	25,015	29,143	(4,128)	(14.2%)
Accumulated other comprehensive income	(870)	(855)	(15)	1.7%
Total Shareholders' Equity	36,754	40,898	(4,143)	(10.1%)
Total Liabilities and Shareholders' Equity	\$ 95,450	\$ 99,917	\$ (4,467)	(4.5%)

Monthly Cash Flow

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	FY	FY	Var		PY	Var	
\$'000	Act	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Bud	\$	%	Act	\$	%
Cash flow from operations																			
Net Income (Loss)	\$ (1,509)	\$ (1,087)	\$ (1,382)	\$ (56)	\$ 360	\$ 153	\$ 184	\$ 251	\$ (17)	\$ 456	\$ 167	\$ (1,330)	\$ (3,810)	\$ (3,497)	\$ (312)	8.9%	\$ (3,485)	\$ (325)	9.3%
Depreciation, amortization and other	814	776	778	802	808	815	822	828	831	831	837	842	9,783	9,739	44	0.5%	9,017	766	8.5%
Non-cash loss/expense (gain)	405	(567)	54	(156)	(61)	(372)	311	26	(437)	233	(425)	(176)	(1,164)	(999)	(165)	16.5%	(215)	(949)	441.1%
Deferred income tax	(320)	(23)	–	–	–	–	–	–	–	–	–	–	(343)	(343)	–	0.0%	189	(532)	(281.2%)
Change in operating assets and liabilities:																N/A			
Accounts receivable	(1,978)	160	(645)	(1,576)	(2,326)	(501)	1,178	(62)	625	(942)	1,413	3,370	(1,285)	(1,285)	–	0.0%	(91)	(1,194)	1313.9%
Inventory	(259)	(3,258)	(1,970)	(115)	79	(220)	575	276	222	829	1,255	231	(2,356)	(2,356)	–	0.0%	912	(3,268)	(358.3%)
Prepaid expenses and other current assets	94	(254)	42	(1,308)	125	240	39	334	(154)	(171)	74	1,203	264	264	–	0.0%	(214)	478	(223.8%)
Accounts payable	(661)	(2,468)	1,549	363	99	718	(408)	(83)	(698)	(48)	702	(2,654)	(3,589)	(589)	(3,000)	509.6%	265	(3,854)	(1455.3%)
Accrued expenses	1,162	899	494	(1,242)	264	542	(824)	602	306	4	(186)	(590)	1,430	1,430	–	0.0%	(1,106)	2,536	(229.3%)
Accrued income taxes	–	70	96	93	97	68	124	94	49	111	27	(199)	630	630	–	0.0%	260	371	142.8%
Other changes in operating assets and liabilities	(4)	50	1	(1)	0	(0)	0	(0)	(1)	–	–	–	45	45	–	0.0%	(1,287)	1,331	(103.5%)
Other cash flow from operations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Total Cash Flow from Operations	\$ (2,256)	\$ (5,703)	\$ (983)	\$ (3,194)	\$ (555)	\$ 1,444	\$ 2,001	\$ 2,265	\$ 725	\$ 1,303	\$ 3,863	\$ 697	\$ (393)	\$ 3,039	\$ (3,433)	(112.9%)	\$ 4,246	\$ (4,639)	(109.3%)
Cash flow from investing																			
Additions to property, plant and equipment	\$ (230)	\$ (531)	\$ (789)	\$ (448)	\$ (519)	\$ (805)	\$ (761)	\$ (386)	\$ (500)	\$ (522)	\$ (288)	\$ (288)	\$ (6,066)	\$ (6,501)	\$ 435	(6.7%)	\$ (6,807)	\$ 741	(10.9%)
Earnout payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Other cash flow from investing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Total Cash Flow from Investing	\$ (230)	\$ (531)	\$ (789)	\$ (448)	\$ (519)	\$ (805)	\$ (761)	\$ (386)	\$ (500)	\$ (522)	\$ (288)	\$ (288)	\$ (6,066)	\$ (6,501)	\$ 435	(6.7%)	\$ (6,807)	\$ 741	(10.9%)
Cash flow from financing																			
Proceeds from the issuance (repayment) of short-term debt	\$ 2,626	\$ 6,372	\$ 1,910	\$ 3,781	\$ 1,212	\$ (500)	\$ (1,101)	\$ (1,740)	\$ (87)	\$ (642)	\$ (3,437)	\$ (271)	\$ 8,123	\$ 5,123	\$ 3,000	58.6%	\$ 4,230	\$ 3,893	92.0%
Proceeds from the issuance of debt	(0)	0	0	0	0	0	0	0	0	0	0	0	0	–	0	N/A	(0)	0	(104.1%)
Repayment of debt	(140)	(138)	(138)	(138)	(138)	(138)	(138)	(138)	(138)	(138)	(138)	(138)	(1,664)	(1,662)	(2)	0.1%	(1,665)	1	(0.1%)
Common stock cash dividends paid	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Other cash flow from financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A	–	–	N/A
Total Cash Flow from Financing	\$ 2,486	\$ 6,233	\$ 1,771	\$ 3,642	\$ 1,074	\$ (639)	\$ (1,240)	\$ (1,879)	\$ (225)	\$ (781)	\$ (3,575)	\$ (409)	\$ 6,459	\$ 3,461	\$ 2,998	86.6%	\$ 2,565	\$ 3,895	151.9%
Effect of FX rates on cash and cash equivalents	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	N/A	\$ –	\$ -	N/A
Net change in cash	\$ (0)	\$ (0)	\$ 0	\$ 0	\$ (0)	\$ 0	\$ 0	\$ (0)	\$ (0)	\$ (0)	\$ 0	\$ (0)	\$ (0)	\$ (0)	\$ 0	(0.1%)	\$ 3	\$ (3)	(110.3%)
Beginning cash	3	3	3	3	3	2	2	2	2	2	2	3	3	3	0	0.0%	0	\$ 3	815681.2%
Change in cash	(0)	(0)	0	0	(0)	0	0	(0)	(0)	(0)	0	(0)	(0)	(0)	0	(0.1%)	3	\$ (3)	(110.3%)
Ending cash	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ (0)	(0.0%)	\$ 3	\$ (0)	(10.3%)

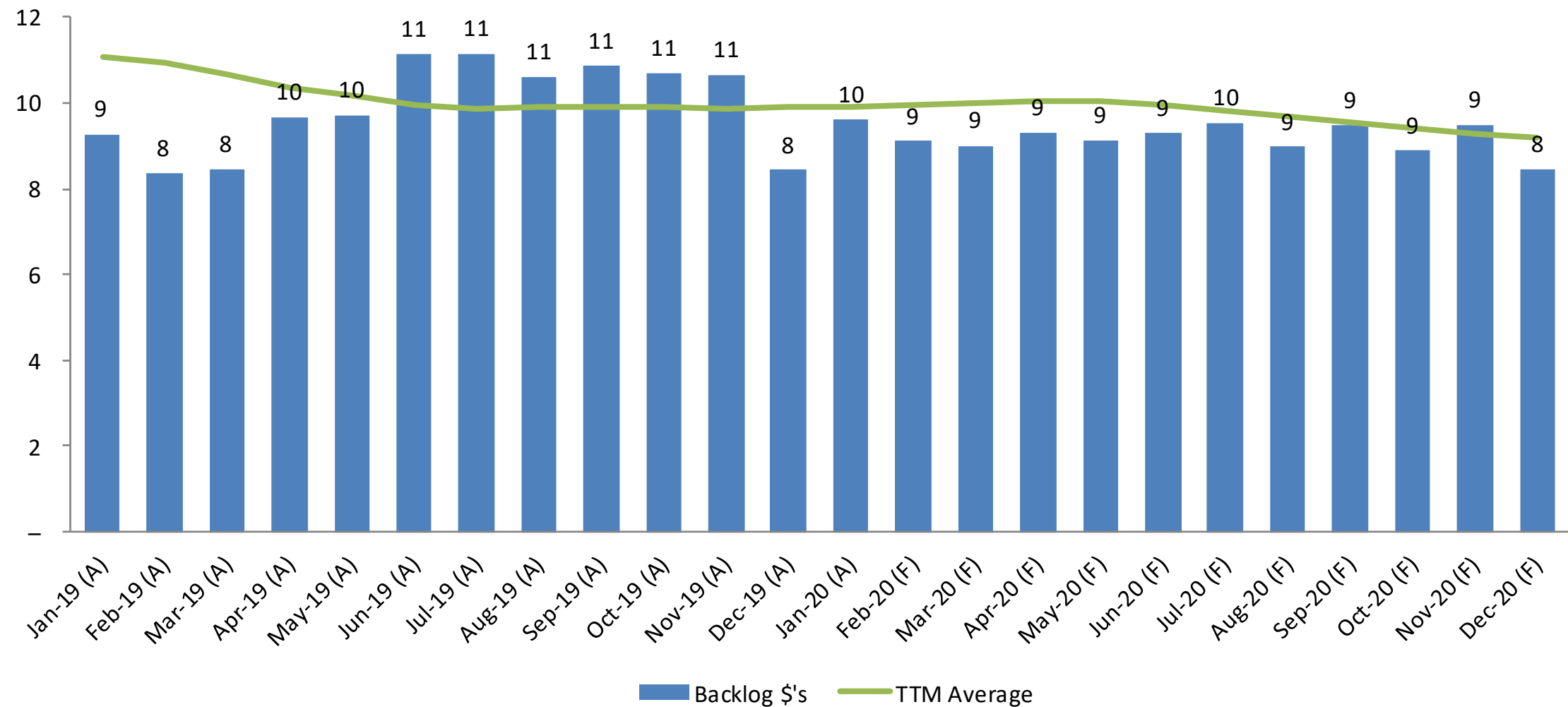
Trended Monthly Bookings

\$ in millions

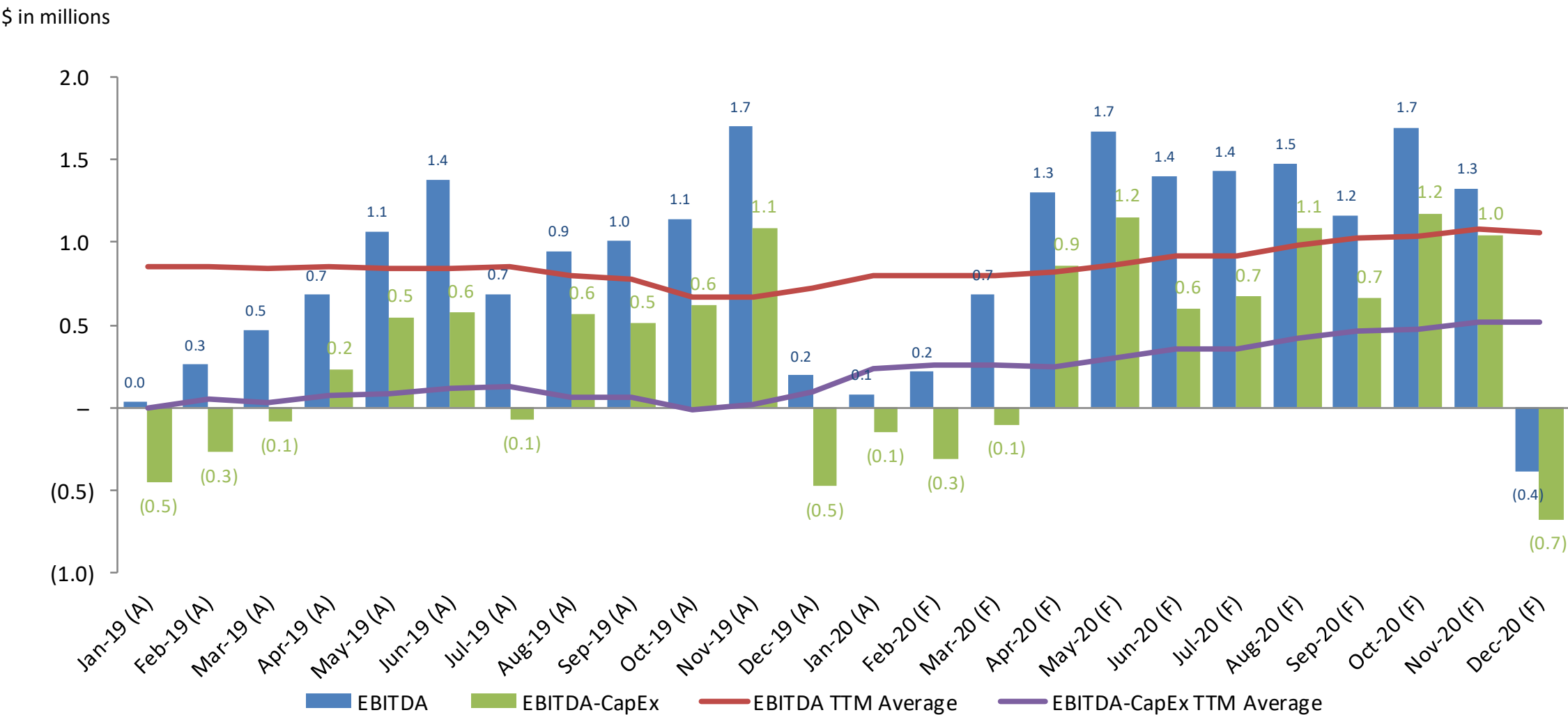


Trended Monthly Backlog

\$ in millions

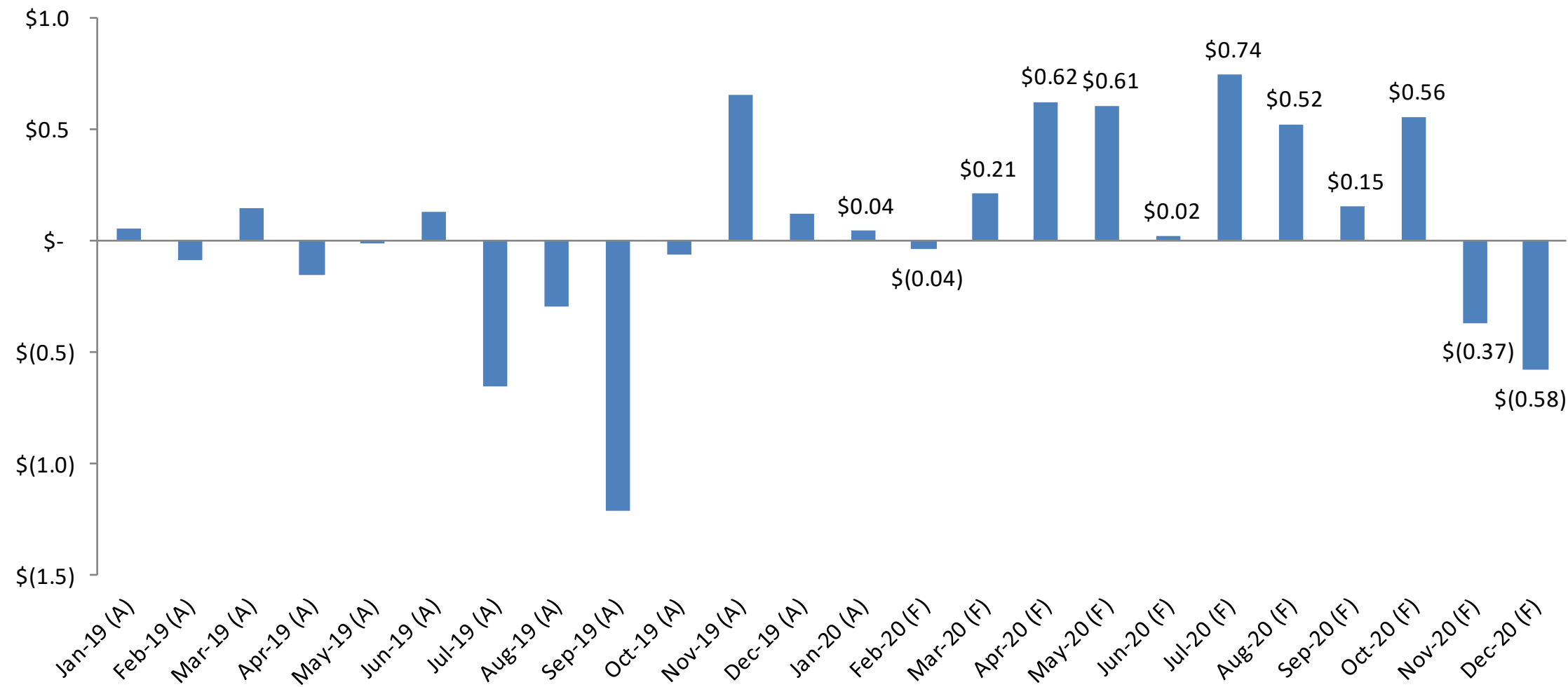


EBITDA and EBITDA-CapEx

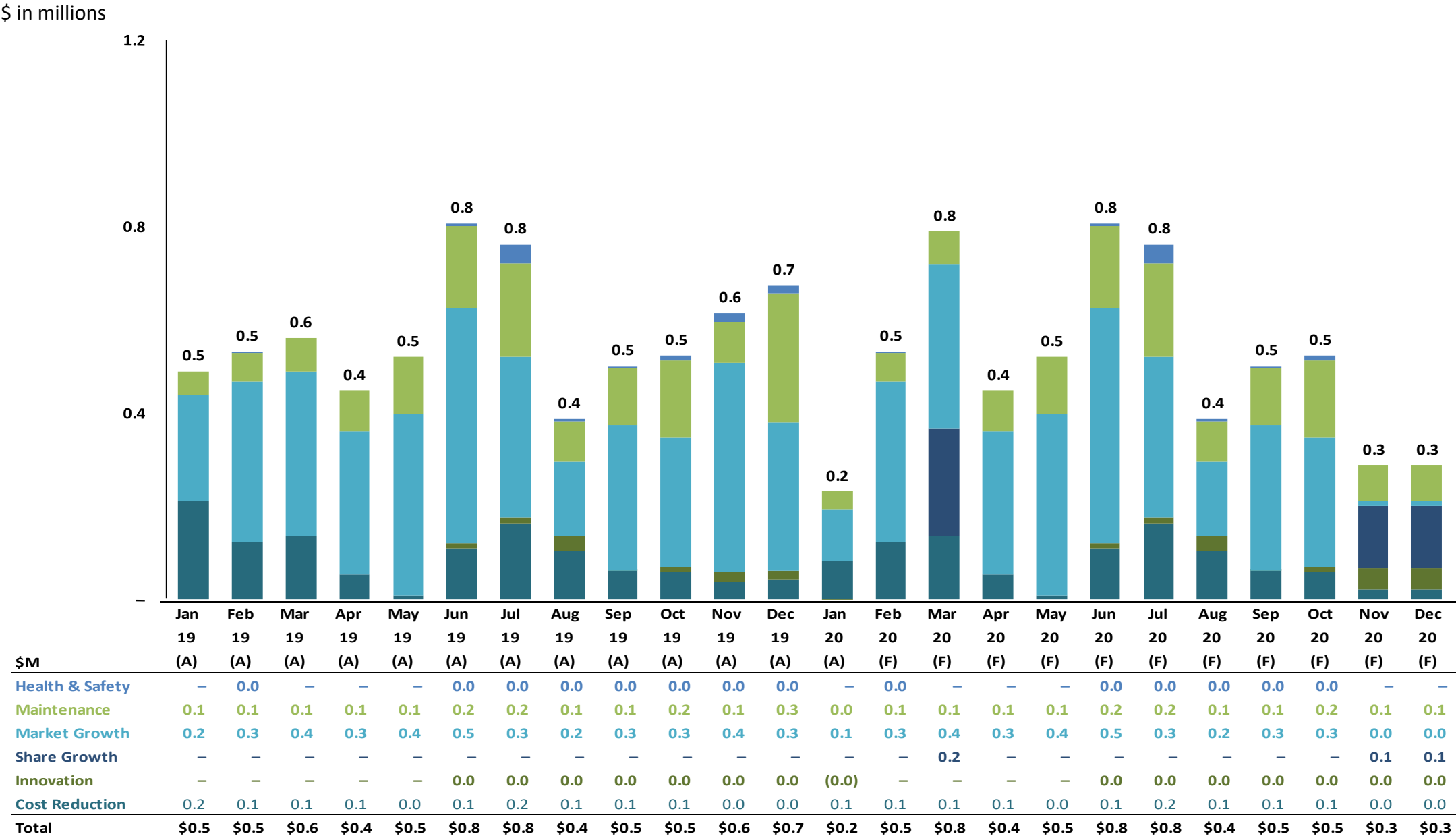


Y-o-Y \$ EBITDA Change

\$ in millions



Capital Expenditures



Headcount Trending by Month

Month	Direct Labor	Indirect Labor - Hourly	Indirect Labor - Salary	Delivery & Dist.	Research & Development	Sales & Marketing	Administrative	Other	Total Permanent	Agency FTE & Temps	Total Headcount	Bud Headcount	Difference to Bud
2020 January (A)	311	154	81	34	11	22	60	–	673	63	736	735	1
2020 February (F)	336	153	83	36	11	25	63	–	707	28	735	735	–
2020 March (F)	340	153	83	36	11	25	63	–	711	34	745	745	–
2020 April (F)	345	153	83	37	11	25	63	–	717	61	778	778	–
2020 May (F)	349	153	83	37	11	25	63	–	721	66	787	787	–
2020 June (F)	349	153	83	37	11	25	63	–	721	59	780	780	–
2020 July (F)	345	153	83	37	11	25	63	–	717	66	783	783	–
2020 August (F)	345	153	83	37	11	25	63	–	717	63	780	780	–
2020 September (F)	345	153	83	37	11	25	63	–	717	60	777	777	–
2020 October (F)	340	153	83	36	11	25	63	–	711	64	775	775	–
2020 November (F)	332	153	83	36	11	25	63	–	703	47	750	750	–
2020 December (F)	332	153	83	36	11	25	63	–	703	32	735	735	–
Final Headcount	332	153	83	36	11	25	63	–	703	32	735	735	–

Management Discussion

- Woodbridge: Hiring of Rajeev Bhatt (temp) to replace Alex Murashko (will exit in February)
- Concord: Hiring of 1 perm and 1 temps to replace people who left in December
- HO: Payroll Temp included
- Delmont: Hiring of 4 direct labour
- Laval: Hired back the temps who left in December plus a hire of another 6 temps. Johanne Bécharde in the CSR department moved to Terrebonne
- Terrebonne: Hired back the temps plus 2 temps were switched to perm for retention purposes

Headcount Hires and Attrition

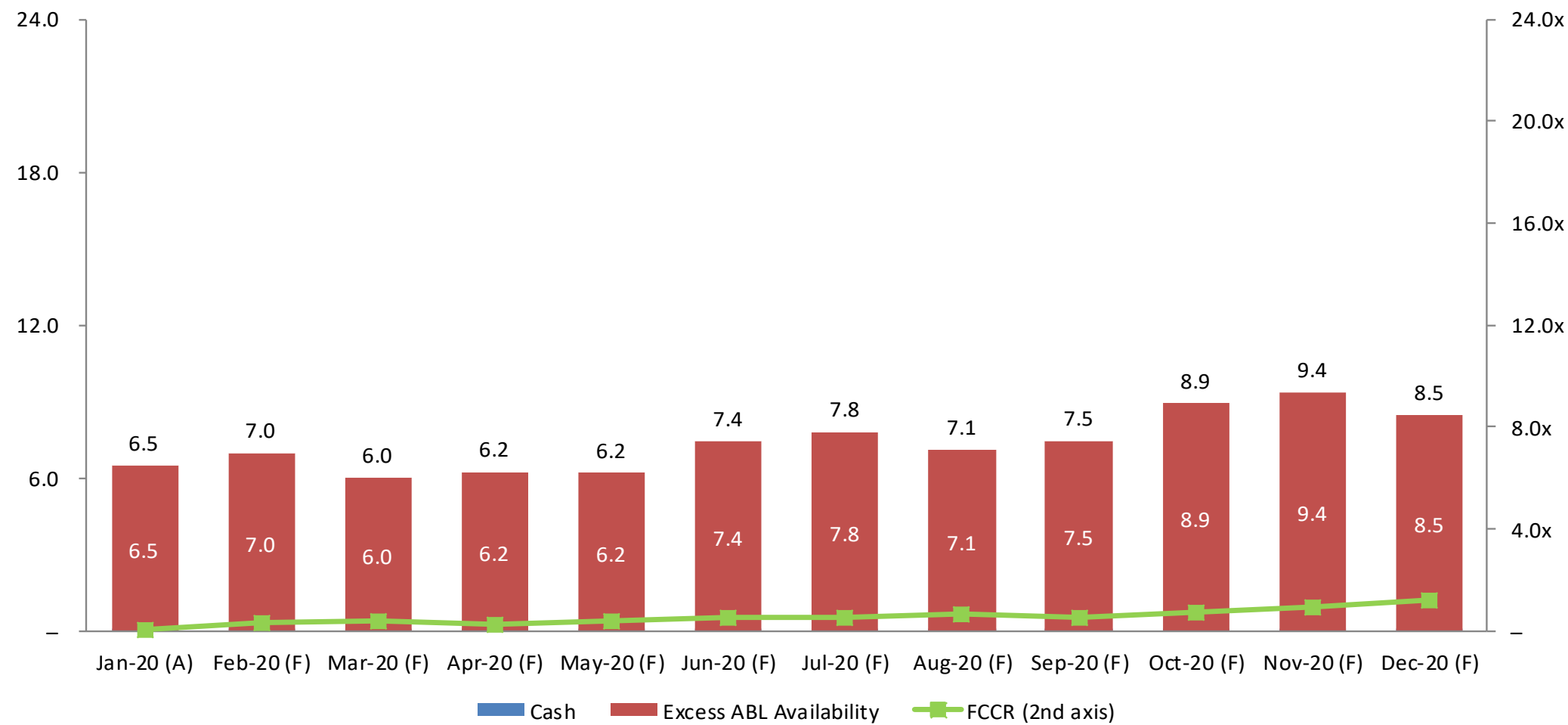
Functional Area	Start of Month	Hires	Transfers	Involuntary		End of Month	Rfc Headcount	Difference to Rfc
				Term	Voluntary Term			
Direct Labor	314	9	(7)	(2)	(3)	311	336	25
Indirect Labor - Hourly	158	–	(2)	(1)	(1)	154	153	(1)
Indirect Labor - Salary	79	–	2	–	–	81	83	2
Delivery & Dist.	34	–	–	–	–	34	36	2
Research & Development	13	–	(1)	(1)	–	11	11	-
Sales & Marketing	21	–	1	–	–	22	25	3
Administrative	59	1	1	(1)	–	60	63	3
Other	-	–	–	–	–	-	-	-
Agency FTE & Temps	36	31	–	(4)	–	63	28	(35)
Total	714	41	(6)	(9)	(4)	736	735	(1)

Management Discussion

- Net increase of 22 employees during the month, majority of which are Temps in Laval, Terrebonne and Everett. As plants look to replace/cover for full time positions and lower headcount in December

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)	2,700	2,512	188	7.5%	2,700	2,512	188	7.5%
Units Shipped ('000)	2,521	2,173	348	16.0%	2,521	2,173	348	16.0%
Bookings (\$'000)	\$ 3,015	\$ 2,667	\$ 348	13.0%	\$ 3,015	\$ 2,667	\$ 348	13.0%
Backlog (\$'000)	\$ 1,770	\$ 2,031	\$ (261)	(12.9%)	\$ 1,770	\$ 2,031	\$ (261)	(12.9%)
Gross Revenue	\$ 3,549	\$ 2,978	\$ 570	19.2%	\$ 3,549	\$ 2,978	\$ 570	19.2%
Adj. to Gross Revenue	(146)	(164)	18	(10.9%)	(146)	(164)	18	(10.9%)
Net Revenue	3,403	2,815	588	20.9%	3,403	2,815	588	20.9%
Material	2,243	1,865	377	20.2%	2,243	1,865	377	20.2%
Labor	855	790	65	8.2%	855	790	65	8.2%
Other COGS	178	35	143	402.0%	178	35	143	402.0%
Total COGS	3,276	2,691	585	21.7%	3,276	2,691	585	21.7%
Gross Margin	127	124	4	3.0%	127	124	4	3.0%
Gross Margin %	3.7%	4.4%			3.7%	4.4%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	22	19	3	12.9%	22	19	3	12.9%
Administrative	337	322	16	4.9%	337	322	16	4.9%
Other Opex	(50)	(9)	(41)	466.0%	(50)	(9)	(41)	466.0%
Total Opex	309	332	(23)	(6.8%)	309	332	(23)	(6.8%)
EBITDA	(182)	(208)	26	(12.6%)	(182)	(208)	26	(12.6%)
EBITDA %	(5.4%)	(7.4%)			(5.4%)	(7.4%)		
Net Income (Loss)	\$ (430)	\$ (446)	\$ 16	(3.6%)	\$ (430)	\$ (446)	\$ 16	(3.6%)
Capex	\$ (208)	\$ (295)	\$ 87	(29.5%)	\$ (208)	\$ (295)	\$ 87	(29.5%)
Opex Overview:								
Payroll	\$ 63	\$ 61	\$ 3	4.3%	\$ 63	\$ 61	\$ 3	4.3%
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	10	6	4	55.3%	10	6	4	55.3%
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	1	1	0	25.3%	1	1	0	25.3%
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	3	3	0	14.3%	3	3	0	14.3%
Professional fees	6	1	6	875.4%	6	1	6	875.4%
Utilities, repair, maintenance, an	4	3	1	50.3%	4	3	1	50.3%
Corporate OH Fees	272	267	5	1.8%	272	267	5	1.8%
Bad Debts	(0)	(0)	0	(38.1%)	(0)	(0)	0	(38.1%)
FX	(19)	—	(19)	N/A	(19)	—	(19)	N/A
JV Loss (Income)	(31)	(9)	(22)	251.1%	(31)	(9)	(22)	251.1%
Other Expenses	—	0	(0)	(100.0%)	—	0	(0)	(100.0%)
Total Opex	\$ 309	\$ 332	\$ (23)	(6.8%)	\$ 309	\$ 332	\$ (23)	(6.8%)

Management Discussion

Net Revenue – Jan-20: +\$588K:

- Sales volume up 16.0% or \$450k due to increased demand from Windsor, Quaker, JV, Vinylbilt, PGT & Wardco; offset by lower than expected levels with Allsco, Ostaco and Great Lakes.
- Favorable rebates/accruals \$37k primarily due to lower sales volume with Allsco & Ostaco
- Favorable returns \$7k
- Favorable product/customer mix of \$62k driven by higher ASP from Quaker, PGT, Windsor and lower ATIS volumes
- Favorable F/X of \$32k (actual rate of 1.3087 [or \$USD 0.7641] vs. 1.33 [or \$USD 0.7519])

EBITDA – Jan-20: +\$26K:

- Material COGS:** Increased costs by \$377k driven by higher sales volumes \$298k, lower yields & additional scrap \$37k (85.6% vs 88.0% & increased trial/testing for new Everett dies) and product/customer mix \$42k.
- Labor COGS:** Increased costs by \$65k driven by higher production volumes (7.5%) \$27k, 3 additional headcount (1 QC and 2 temps (Material handler & regrind operator)) & timing of vacation accruals vs vacation taken.
- Other COGS:** Increased costs by \$143k driven by decreased net absorption \$68k; increased utilities \$51k (timing/global rate adj); lower T&D recovery \$28k (waiting for customer approvals); increased freight \$24k (sales volume) and higher maintenance costs \$19k (main switch on line 61 & vacuum pumps (6); offset by additional JV OH recovery \$47k (increased sales volumes & 2 additional line charges).
- Sales and Marketing:** In line with budget.
- Administrative:** Increased costs by \$16k primarily driven by additional consulting fees \$6k (controller temp replacement) and unfavorable F/X \$5k.
- Other Opex:** Decreased in costs of \$41k driven by favorable F/X revaluation of working capital balances \$19k and higher JV Equity Income \$22k (higher sales volume; offset by 2 additional line charges)

Key Customers – Gross Sales and Gross Margin %: Woodbridge

	Gross Sales (\$'000)														Gross Margin %																								
	MTD		Var		PY-MTD	Var		YTD		Var		PY-YTD	Var		MTD		Var		PY-MTD	Var		YTD		Var		PY-YTD	Var												
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	Bud	BP	%	Act	BP	%	Act	Bud	BP	%	Act	BP	%											
Customer:																																							
Royal Vinylbilt Limited	\$	947	\$	821	\$	126	15.3%	\$	807	\$	140	17.3%	\$	947	\$	821	\$	126	15.3%	\$	807	\$	140	17.3%	12.8%	96.5%	(8,367)	(86.7%)	10.4%	240	23.0%	12.8%	96.5%	(8,367)	(86.7%)	10.4%	240	23.0%	
Quaker Window Products		625		514		111	21.6%		454		170	37.5%		625		514		111	21.6%		454		170	37.5%	16.0%	63.7%	(4,775)	(75.0%)	10.6%	536	50.6%	16.0%	63.7%	(4,775)	(75.0%)	10.8%	518	48.1%	
Vinyl-Pro Window Systems Inc		113		74		39	52.7%		71		42	58.7%		113		74		39	52.7%		71		42	58.7%	8.2%	74.8%	(6,655)	(89.0%)	8.2%	5	0.6%	8.2%	74.8%	(6,655)	(89.0%)	8.2%	5	0.6%	
All Weather Windows Ltd.		192		191		1	0.7%		89		103	116.5%		192		191		1	0.7%		89		103	116.5%	11.6%	75.3%	(6,370)	(84.6%)	29.6%	(1,801)	(60.8%)	11.6%	75.3%	(6,370)	(84.6%)	21.0%	(937)	(44.6%)	
Windsor Window Co OEM		510		297		213	71.7%		276		234	84.6%		510		297		213	71.7%		276		234	84.6%	13.1%	57.1%	(4,402)	(77.0%)	22.1%	(900)	(40.7%)	13.1%	57.1%	(4,402)	(77.0%)	20.3%	(715)	(35.3%)	
Dashwood Industries Inc		95		68		27	39.3%		64		31	47.7%		95		68		27	39.3%		64		31	47.7%	16.3%	63.5%	(4,718)	(74.3%)	17.8%	(149)	(8.4%)	16.3%	63.5%	(4,718)	(74.3%)	17.8%	(149)	(8.4%)	
Energi Terrebonne		158		168		(9)	(5.6%)		116		43	36.9%		158		168		(9)	(5.6%)		116		43	36.9%	(2.5%)	89.5%	(9,199)	(102.8%)	(6.3%)	376	(59.8%)	(2.5%)	89.5%	(9,199)	(102.8%)	(6.3%)	376	(59.8%)	
Vinylbilt Windows & Doors Corp		169		116		53	46.1%		160		10	6.1%		169		116		53	46.1%		160		10	6.1%	6.2%	68.9%	(6,267)	(90.9%)	(17.8%)	2,408	(135.0%)	6.2%	68.9%	(6,267)	(90.9%)	(17.6%)	2,381	(135.5%)	
Allsco Windows & Doors Corp		48		145		(97)	(66.9%)		124		(76)	(61.4%)		48		145		(97)	(66.9%)		124		(76)	(61.4%)	14.3%	67.7%	(5,338)	(78.9%)	(18.0%)	3,228	(179.3%)	14.3%	67.7%	(5,338)	(78.9%)	(17.7%)	3,201	(180.5%)	
PGT Industries Inc		173		107		67	62.5%		105		68	64.5%		173		107		67	62.5%		105		68	64.5%	45.0%	39.6%	535	13.5%	5.0%	3,998	799.6%	45.0%	39.6%	535	13.5%	5.0%	3,998	799.6%	
Ostaco 2000 Windoors Inc.		87		138		(51)	(36.7%)		176		(89)	(50.7%)		87		138		(51)	(36.7%)		176		(89)	(50.7%)	(5.2%)	67.8%	(7,298)	(107.7%)	13.8%	(1,904)	(137.5%)	(5.2%)	67.8%	(7,298)	(107.7%)	13.8%	(1,904)	(137.5%)	
Oran Ltd. (Barbados)		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	NA	#DIV/0!	#DIV/0!	NA	#DIV/0!
Centennial Windows Ltd		47		–		47	N/A		–		47	N/A		47		–		47	N/A		–		47	N/A	21.4%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	21.4%	#DIV/0!	–	#DIV/0!	39.6%	(1,811)	(45.8%)	
Seymour Windows Ltd		26		25		1	3.7%		40		(14)	(34.0%)		26		25		1	3.7%		40		(14)	(34.0%)	8.8%	63.1%	(5,429)	(86.0%)	19.6%	(1,077)	(55.0%)	8.8%	63.1%	(5,429)	(86.0%)	19.6%	(1,077)	(55.0%)	
Kohltech International Ltd		47		35		12	33.5%		11		36	323.9%		47		35		12	33.5%		11		36	323.9%	32.8%	65.2%	(3,243)	(49.8%)	10.0%	2,276	227.6%	32.8%	65.2%	(3,243)	(49.8%)	10.0%	2,276	227.6%	
Mason Windows Ltd		9		29		(20)	(68.0%)		31		(22)	(69.7%)		9		29		(20)	(68.0%)		31		(22)	(69.7%)	(5.1%)	78.5%	(8,362)	(106.5%)	7.7%	(1,284)	(165.8%)	(5.1%)	78.5%	(8,362)	(106.5%)	7.6%	(1,272)	(166.8%)	
Integral Windows Systems		27		25		2	6.9%		27		(0)	(0.2%)		27		25		2	6.9%		27		(0)	(0.2%)	7.3%	62.0%	(5,469)	(88.3%)	8.0%	(73)	(9.1%)	7.3%	62.0%	(5,469)	(88.3%)	6.0%	127	21.2%	
Marlboro Windows		33		35		(2)	(6.4%)		32		1	3.5%		33		35		(2)	(6.4%)		32		1	3.5%	22.5%	57.5%	(3,502)	(60.9%)	6.0%	1,646	274.3%	22.5%	57.5%	(3,502)	(60.9%)	6.0%	1,646	274.3%	
Hunter Douglas - Colorado - Ship T		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	NA	#DIV/0!	
Great Lakes Window Inc		3		49		(46)	(92.9%)		54		(50)	(93.5%)		3		49		(46)	(92.9%)		54		(50)	(93.5%)	(20.7%)	37.2%	(5,788)	(155.8%)	8.0%	(2,872)	(359.0%)	(20.7%)	37.2%	(5,788)	(155.8%)	8.0%	(2,872)	(359.0%)	
Other		239		142		97	68.0%		556		(317)	(57.1%)		239		142		97	68.0%		556		(317)	(57.1%)	(138.5%)	(1399.4%)	126,097	(90.1%)	8.8%	(14,730)	(1667.5%)	(138.5%)	(1399.4%)	126,097	(90.1%)	12.2%	(15,071)	(1231.4%)	
Total Gross	\$	3,549	\$	2,978	\$	570	19.2%	\$	3,193	\$	356	11.1%	\$	3,549	\$	2,978	\$	570	19.2%	\$	3,193	\$	356	11.1%	3.6%	4.2%	(56)	(13.6%)	8.7%	(509)	(58.7%)	8.7%	11.4%	(268)	(23.6%)	1.0%	765	741.3%	

Management Discussion

- Strong demand from Quaker and Windsor
- Royal Vinylbilt – Strong January as it looks to fill up inventory in its new location in Mexico
- Allsco sales lower vs budget, possibly timing.

Key Performance Indicators - Woodbridge

ENERGI Woodbridge KPI Report	2020 Targets	Jan-20
Health & Safety		
<i>Recordable Incidents</i>	1	0
<i>TRIR (Total Recordable Incident Rate)</i>	<1	0.49
Quality Performance		
<i>Customer Complaints - per MLBS</i>	3.2	4.0
<i>Return as % of sales</i>	0.41%	0.38%
Delivery Performance		
<i>% on time in full</i>	98.06%	98.86%
<i>% by line items</i>	98.06%	98.86%
Costs		
<i>Yield</i>	88.0%	85.64%
<i>Alt/Regrind Compound Consumption Ratio</i>	20.0%	20.04%
<i>Direct Labour \$/lb produced</i>	\$0.180	\$ 0.183
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.218	\$ 0.231
Inventory		
<i>Days - TTM (Trailing 12 Months)</i>	77.8	70

Comments

Quality: return from Quaker for a design issue not a manufacturing issue was over half of this total - Quaker Purchasing realizes that it was a design issue

Costs: Yield: Mix issue with considerable mix of difficult dies in January with prolonged starts

Labour: 2 forklift driver roles backfilled with temps coverage for forklift driver that departed in September 2019 - ongoing QC manual inspection for lines running 100% regrind in Quadrant 1

Full Year Woodbridge P&L Summary

\$'000	FY		Var		PY	Var	
	Fcst	Bud	\$	%		\$	%
Units Produced ('000)	32,067	31,879	188	0.6%	31,325	742	2.4%
Units Shipped ('000)	31,761	31,414	348	1.1%	30,618	1,144	3.7%
Bookings (\$'000)	\$ 40,081	\$ 39,734	\$ 348	0.9%	\$ 50,018	\$ (9,937)	(19.9%)
Backlog ('\$000)	\$ 1,873	\$ 1,873	\$ –	0.0%	\$ 3,634	\$ (1,761)	(48.5%)
Gross Revenue	\$ 44,062	\$ 43,492	\$ 570	1.3%	\$ 43,467	\$ 595	1.4%
Adj. to Gross Revenue	(2,507)	(2,524)	18	(0.7%)	(2,352)	(155)	6.6%
Net Revenue	41,556	40,967	588	1.4%	41,116	440	1.1%
Material	26,677	26,300	377	1.4%	26,670	7	0.0%
Labor	9,623	9,558	65	0.7%	9,592	30	0.3%
Other COGS	2,265	2,123	143	6.7%	2,000	265	13.3%
Total COGS	38,565	37,980	585	1.5%	38,262	302	0.8%
Gross Margin	2,991	2,987	4	0.1%	2,853	137	4.8%
Gross Margin %	7.2%	7.3%			6.9%		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	230	227	3	1.1%	207	23	10.9%
Administrative	3,854	3,838	16	0.4%	3,830	23	0.6%
Other Opex	(153)	(112)	(41)	36.5%	(105)	(49)	46.6%
Total Opex	3,930	3,953	(23)	(0.6%)	3,933	(3)	(0.1%)
EBITDA	(939)	(966)	26	(2.7%)	(1,080)	140	(13.0%)
EBITDA %	(2.3%)	(2.4%)			(2.6%)		
Net Income (Loss)	\$ (3,803)	\$ (3,819)	\$ 16	(0.4%)	\$ (3,933)	\$ 130	(3.3%)
Capex	\$ (1,644)	\$ (1,365)	\$ (278)	20.4%	\$ (2,083)	\$ 439	(21.1%)
Opex Overview:							
Payroll	\$ 693	\$ 690	\$ 3	0.4%	\$ 642	\$ 51	7.9%
Bonus	–	–	–	N/A	–	–	N/A
Commissions	–	–	–	N/A	–	–	N/A
Marketing	82	78	4	4.6%	66	16	23.9%
Benefits	–	–	–	N/A	–	–	N/A
Travel and entertainment	8	8	0	2.1%	17	(9)	(53.7%)
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	39	38	0	1.0%	42	(4)	(8.3%)
Professional fees	15	10	6	60.1%	32	(17)	(51.8%)
Utilities, repair, maintenance, and security	32	31	1	4.2%	34	(2)	(5.4%)
Corporate OH Fees	3,212	3,207	5	0.2%	3,218	(6)	(0.2%)
Bad Debts	(3)	(4)	0	(3.2%)	0	(4)	(1474.0%)
FX	(19)	–	(19)	N/A	41	(60)	(145.9%)
JV Loss (Income)	(134)	(112)	(22)	19.7%	(146)	11	(7.8%)
Other Expenses	6	7	(0)	(6.9%)	(11)	17	(157.3%)
Total Opex	\$ 3,930	\$ 3,953	\$ (23)	(0.6%)	\$ 3,936	\$ (6)	(0.1%)

Key Customers – Full Year Woodbridge

	Gross Sales (\$'000)									Gross Margin %										
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var				
	Fcst	Bud	\$	%	Act	\$	%			Fcst	Bud	BPs	%	Act	BPs	%				
Customer:																				
Royal Vinylbilt Limited	\$	9,773	\$	9,647	\$	126	1.3%	\$	9,266	\$	507		5.5%	87.1%	96.5%	(935)	(9.7%)	7.9%	7,922	1001.5%
Quaker Window Products		6,204		6,093		111	1.8%		5,858		346		5.9%	58.2%	63.7%	(552)	(8.7%)	8.5%	4,968	582.9%
Vinyl-Pro Window Systems Inc		3,648		3,609		39	1.1%		3,328		320		9.6%	72.4%	74.8%	(239)	(3.2%)	17.2%	5,523	322.0%
All Weather Windows Ltd.		3,965		3,964		1	0.0%		3,090		875		28.3%	71.8%	75.3%	(350)	(4.7%)	(20.5%)	9,229	(451.2%)
Windsor Window Co OEM		4,166		3,952		213	5.4%		4,303		(137)		(3.2%)	51.5%	57.5%	(601)	(10.5%)	5.7%	4,580	806.8%
Dashwood Industries Inc		2,658		2,632		27	1.0%		2,450		209		8.5%	61.5%	63.5%	(203)	(3.2%)	19.0%	4,252	224.2%
Energi Terrebonne		2,246		2,256		(9)	(0.4%)		1,687		559		33.1%	82.5%	89.5%	(697)	(7.8%)	15.3%	6,716	438.0%
Vinylbilt Windows & Doors Corp		2,019		1,966		53	2.7%		2,048		(29)		(1.4%)	62.4%	68.7%	(631)	(9.2%)	11.3%	5,109	450.2%
Allsco Windows & Doors Corp		1,588		1,685		(97)	(5.8%)		1,431		157		11.0%	65.8%	67.5%	(178)	(2.6%)	3.9%	6,182	1565.8%
PGT Industries Inc		1,257		1,190		67	5.6%		1,201		56		4.6%	40.5%	39.6%	83	2.1%	(8.8%)	4,924	(560.7%)
Ostaco 2000 Windoors Inc.		1,078		1,128		(51)	(4.5%)		1,251		(173)		(13.8%)	61.1%	68.1%	(703)	(10.3%)	6.3%	5,482	876.3%
Oran Ltd. (Barbados)		500		500		-	0.0%		448		52		11.5%	50.8%	50.8%	—	0.0%	13.4%	3,743	279.2%
Centennial Windows Ltd		536		489		47	9.6%		494		41		8.4%	39.8%	42.0%	(216)	(5.1%)	16.4%	2,350	143.7%
Seymour Windows Ltd		490		489		1	0.2%		634		(144)		(22.7%)	59.8%	63.1%	(330)	(5.2%)	17.1%	4,272	249.9%
Kohltech International Ltd		463		451		12	2.6%		86		377		436.5%	61.1%	65.2%	(408)	(6.3%)	32.2%	2,889	89.6%
Mason Windows Ltd		340		360		(20)	(5.5%)		368		(28)		(7.6%)	75.3%	78.0%	(274)	(3.5%)	37.1%	3,821	103.1%
Integral Windows Systems		302		301		2	0.6%		400		(97)		(24.4%)	56.6%	62.0%	(538)	(8.7%)	8.0%	4,858	607.3%
Marlboro Windows		298		301		(2)	(0.7%)		317		(18)		(5.8%)	53.5%	57.5%	(401)	(7.0%)	8.0%	4,547	568.4%
Hunter Douglas - Colorado - Ship		250		250		-	0.0%		117		133		113.2%	11.8%	11.8%	—	0.0%	8.0%	376	47.1%
Great Lakes Window Inc		204		250		(46)	(18.2%)		246		(42)		(17.0%)	35.9%	37.2%	(130)	(3.5%)	7.0%	2,882	409.7%
Other		2,077		1,980		97	4.9%		4,444		(2,367)		(53.3%)	(1228.4%)	(1461.9%)	23,345	(16.0%)	(20.7%)	(120,775)	5836.6%
Total Gross	\$	44,062	\$	43,492	\$	570	1.3%	\$	43,467	\$	595		1.4%	11.8%	6.7%	510	76.3%	6.6%	522	79.5%

Laval Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	1,248	1,269	(21)	(1.7%)	1,248	1,269	(21)	(1.7%)
Units Shipped ('000)	1,154	1,082	72	6.6%	1,154	1,082	72	6.6%
Bookings (\$'000)	\$ 2,516	\$ 2,068	\$ 448	21.7%	\$ 2,516	\$ 2,068	\$ 448	21.7%
Backlog (\$'000)	\$ 3,073	\$ 2,884	\$ 189	6.5%	\$ 3,073	\$ 2,884	\$ 189	6.5%
Gross Revenue	\$ 2,118	\$ 1,880	\$ 238	12.6%	\$ 2,118	\$ 1,880	\$ 238	12.6%
Adj. to Gross Revenue	(188)	(154)	(34)	22.2%	(188)	(154)	(34)	22.2%
Net Revenue	1,930	1,726	204	11.8%	1,930	1,726	204	11.8%
Material	937	849	88	10.3%	937	849	88	10.3%
Labor	483	456	27	6.0%	483	456	27	6.0%
Other COGS	127	64	63	98.1%	127	64	63	98.1%
Total COGS	1,546	1,368	178	13.0%	1,546	1,368	178	13.0%
Gross Margin	383	358	26	7.2%	383	358	26	7.2%
Gross Margin %	19.9%	20.7%			19.9%	20.7%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	125	115	10	9.1%	125	115	10	9.1%
Administrative	248	247	1	0.2%	248	247	1	0.2%
Other Opex	(2)	–	(2)	N/A	(2)	–	(2)	N/A
Total Opex	371	362	9	2.6%	371	362	9	2.6%
EBITDA	12	(4)	16	(379.1%)	12	(4)	16	(379.1%)
EBITDA %	0.6%	(0.3%)			0.6%	(0.3%)		
Net Income (Loss)	\$ (104)	\$ (113)	\$ 9	(8.3%)	\$ (104)	\$ (113)	\$ 9	(8.3%)
Capex	\$ (44)	\$ (159)	\$ 115	(72.6%)	\$ (44)	\$ (159)	\$ 115	(72.6%)
Opex Overview:								
Payroll	\$ 118	\$ 107	\$ 11	10.3%	\$ 118	\$ 107	\$ 11	10.3%
Bonus	–	–	–	N/A	–	–	–	N/A
Commissions	–	–	–	N/A	–	–	–	N/A
Marketing	27	33	(6)	(17.7%)	27	33	(6)	(17.7%)
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	2	3	(1)	(31.8%)	2	3	(1)	(31.8%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	2	5	(2)	(48.9%)	2	5	(2)	(48.9%)
Professional fees	4	6	(2)	(37.0%)	4	6	(2)	(37.0%)
Utilities, repair, maintenance, and	3	5	(2)	(40.0%)	3	5	(2)	(40.0%)
Corporate OH Fees	179	176	2	1.3%	179	176	2	1.3%
Bad Debts	–	–	–	N/A	–	–	–	N/A
FX	(2)	–	(2)	N/A	(2)	–	(2)	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	38	27	11	41.4%	38	27	11	41.4%
Total Opex	\$ 371	\$ 362	\$ 9	2.6%	\$ 371	\$ 362	\$ 9	2.6%

Management Discussion

Net Revenue – Jan-20: +\$204K:

- Sales volume up 6.6% or \$114k due to increased demand from Schluter, Solaris & Fenergie; offset by decreased demand from Fenetres Contemporaines, Abritek, Isothermic, Panorama, KP Building & ATIS.
- Favorable rebates and discounts \$6k driven by customer mix.
- Favorable mix impact of \$58k primarily driven by Schluter and products for resale
- Favorable F/X of \$26k (actual rate of 1.3087 [or \$USD 0.7641] vs. 1.33 [or \$USD 0.7519])

EBITDA – Jan-20: +\$16K:

- Material COGS:** Increase in costs by \$88k primarily driven by increased volume \$56k and product mix \$58k (increased sales on products purchased for resale); offset by improved yields \$16k (89.0% vs 87.9%) and reversal of inventory reserves \$10k (LCM).
- Labor COGS:** Increase in costs by \$26k driven by lower volume with small output jobs running and 1 headcount for trainer (budget assumed trainer retired)
- Other COGS:** Increase in cost by \$63k primarily driven by unfavorable net absorption of \$48k (increased sales with slightly lower production) and increase tool and dies expenses (repairs and small die recuts)
- Sales and Marketing:** Increase in cost by \$10k driven by higher product development costs (timing).
- Administrative:** In line with budget.
- Other Opex:** In line with budget.

Key Customers – Gross Sales and Gross Margin %: Laval

	MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var		MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var									
	Act	Bud	\$		%		Act	\$		%		Act	\$		%		Act	Bud	BPs	%		Act	BPs	%		Act	Bud	BPs	%		Act	BPs	%							
Customer:																																								
SOLARIS QUEBEC P & F INC.	\$	439	\$	317	\$	122	38.4%	\$	304	\$	135	44.5%	\$	439	\$	317	\$	122	38.4%	\$	304	\$	135	44.5%	25.0%	24.6%	42	1.7%	24.2%	78	3.2%	25.0%	24.6%	42	1.7%	23.7%	127	5.4%		
ATLANTIC WINDOWS		155		150		5	3.4%		150		5	3.2%		155		150		5	3.4%		150		5	3.2%	14.2%	17.3%	(313)	(18.1%)	17.1%	(287)	(16.8%)	14.2%	17.3%	(313)	(18.1%)	15.2%	(98)	(6.5%)		
SCHLUTER SYSTEMS L.P.		230		56		175	314.3%		53		177	332.3%		230		56		175	314.3%		53		177	332.3%	21.4%	28.1%	(666)	(23.7%)	27.7%	(625)	(22.6%)	21.4%	28.1%	(666)	(23.7%)	25.5%	(409)	(16.0%)		
PTES & FEN ISOTHERMIC INC		42		93		(52)	(55.4%)		87		(45)	(52.2%)		42		93		(52)	(55.4%)		87		(45)	(52.2%)	24.4%	22.6%	174	7.7%	22.3%	207	9.3%	24.4%	22.6%	174	7.7%	21.9%	249	11.4%		
LAFLAMME PORTES		106		120		(15)	(12.1%)		122		(16)	(13.4%)		106		120		(15)	(12.1%)		122		(16)	(13.4%)	(13.6%)	(14.7%)	113	(7.7%)	(14.5%)	92	(6.3%)	(13.6%)	(14.7%)	113	(7.7%)	(14.0%)	39	(2.8%)		
PORTES & FENETRES ABRITEK		12		56		(44)	(78.5%)		51		(39)	(76.5%)		12		56		(44)	(78.5%)		51		(39)	(76.5%)	8.6%	27.2%	(1,859)	(68.3%)	26.8%	(1,819)	(67.8%)	8.6%	27.2%	(1,859)	(68.3%)	28.2%	(1,954)	(69.4%)		
ATIS PORTES & FENETRES		127		157		(30)	(18.9%)		162		(34)	(21.2%)		127		157		(30)	(18.9%)		162		(34)	(21.2%)	(17.3%)	(17.3%)	7	(0.4%)	(17.1%)	(19)	1.1%	(17.3%)	(17.3%)	7	(0.4%)	(17.8%)	54	(3.0%)		
EXTREME ENTRANCE SYSTEMS		108		71		37	52.6%		66		42	63.3%		108		71		37	52.6%		66		42	63.3%	16.6%	14.7%	193	13.2%	14.4%	214	14.9%	16.6%	14.7%	193	13.2%	15.3%	129	8.4%		
LES FENETRES CONCEPT.		58		51		7	13.1%		51		7	14.6%		58		51		7	13.1%		51		7	14.6%	16.4%	14.9%	153	10.3%	14.7%	175	11.9%	16.4%	14.9%	153	10.3%	15.0%	138	9.2%		
FENERGIC INC		150		80		70	87.0%		78		72	92.6%		150		80		70	87.0%		78		72	92.6%	14.4%	15.2%	(82)	(5.4%)	15.0%	(59)	(4.0%)	14.4%	15.2%	(82)	(5.4%)	19.7%	(532)	(27.0%)		
P & C EDDY BOULET INC		54		52		2	3.6%		55		(1)	(0.9%)		54		52		2	3.6%		55		(1)	(0.9%)	24.6%	18.3%	625	34.1%	18.1%	652	36.1%	24.6%	18.3%	625	34.1%	21.4%	314	14.7%		
KENTO WINDOWS & DOORS		32		48		(16)	(32.9%)		47		(15)	(31.5%)		32		48		(16)	(32.9%)		47		(15)	(31.5%)	38.9%	34.5%	442	12.8%	34.0%	493	14.5%	38.9%	34.5%	442	12.8%	33.3%	563	16.9%		
FUTURA MANUFACTURIER		13		–		13	N/A		–		13	N/A		13		–		13	N/A		–		13	N/A	21.5%	#DIV/0!	–		#DIV/0!	#DIV/0!	NA	#DIV/0!	21.5%	#DIV/0!	–		#DIV/0!	12.0%	949	78.9%
VAILLANCOURT INC.		36		26		10	40.5%		21		16	75.5%		36		26		10	40.5%		21		16	75.5%	27.8%	26.7%	113	4.2%	26.3%	152	5.8%	27.8%	26.7%	113	4.2%	26.3%	152	5.8%		
FENESTRA PURCHASING - GOLDEN		40		38		2	4.1%		42		(2)	(5.2%)		40		38		2	4.1%		42		(2)	(5.2%)	(5.4%)	(2.0%)	(344)	174.1%	(1.9%)	(347)	178.2%	(5.4%)	(2.0%)	(344)	174.1%	(0.6%)	(477)	748.0%		
FENÊTRES PRÉSIDENT		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	#DIV/0!	–		#DIV/0!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	–		#DIV/0!	#DIV/0!	NA	#DIV/0!
PRODUITS DALMEN PRODUCTS		16		7		10	143.7%		9		7	77.5%		16		7		10	143.7%		9		7	77.5%	25.5%	25.5%	(7)	(0.3%)	25.2%	30	1.2%	25.5%	25.5%	(7)	(0.3%)	22.0%	350	16.0%		
ENTREPRISES DOCO INC.		33		14		20	145.6%		16		17	105.1%		33		14		20	145.6%		16		17	105.1%	20.9%	22.8%	(183)	(8.1%)	22.4%	(150)	(6.7%)	20.9%	22.8%	(183)	(8.1%)	23.8%	(288)	(12.1%)		
G R THERIAULT		4		0		4	2353.1%		0		4	2276.0%		4		0		4	2353.1%		0		4	2276.0%	(3.3%)	45.2%	(4,846)	(107.3%)	44.5%	(4,779)	(107.4%)	(3.3%)	45.2%	(4,846)	(107.3%)	24.9%	(2,823)	(113.2%)		
LAS ENTERPRISES		28		46		(18)	(38.5%)		49		(21)	(43.0%)		28		46		(18)	(38.5%)		49		(21)	(43.0%)	51.0%	52.1%	(113)	(2.2%)	51.3%	(36)	(0.7%)	51.0%	52.1%	(113)	(2.2%)	49.8%	116	2.3%		
Other		433		498		(65)	(13.0%)		525		(92)	(17.5%)		433		498		(65)	(13.0%)		525		(92)	(17.5%)	26.9%	31.2%	(432)	(13.8%)	3.2%	2,366	730.3%	26.9%	31.2%	(432)	(13.8%)	4.2%	2,267	536.2%		
Total Gross	\$	2,118	\$	1,880	\$	238	12.6%	\$	1,888	\$	230	12.2%	\$	2,118	\$	1,880	\$	238	12.6%	\$	1,888	\$	230	12.2%	18.1%	19.0%	(91)	(4.8%)	23.0%	(494)	(21.4%)	18.1%	19.0%	(91)	(4.8%)	26.6%	(847)	(31.9%)		

Management Discussion

- Continued Strong performance despite soft market conditions, contributed by Solaris, Schluter, Extreme, Fenergic and others as a result of new launches and some catch-up of prior lower sales.
- Abritek lower due to product mix.
- Isothermic behind budget, possibly due to timing

Key Performance Indicators - Laval

ENERGI Laval Extrusion KPI Report	2020 Targets	Jan-20
Health & Safety		
<i>Recordable Incidents</i>	0	1
<i>TRIR (Total Recordable Incident Rate)</i>	<1	2.41
Quality Performance		
<i>Customer Complaints - per MLBS</i>	17.7	16.8
<i>Return as % of sales</i>	0.72%	1.24%
Delivery Performance		
<i>% on time in full</i>	95.00%	99.94%
<i>% by line items</i>	99.00%	99.94%
Costs		
<i>Yield</i>	87.87%	89.03%
<i>Alt/Regrind Compound Consumption Ratio</i>	15.20%	21.47%
<i>Direct Labour \$/lb produced</i>	\$0.192	\$ 0.219
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.216	\$ 0.285
Inventory		
<i>Days - TTM (Trailing 12 Months)</i>	67.3	72

Comments:

Safety: Worker hurt his arm while trying to remove profile stuck in saw - Physiotherapy, LT: 7 days

Quality: 3 complaints by Schlüter for \$22k CAD and 2 by Groupe Atlanta for \$4k. Also, with small dollar value, 8 complaints by Abritek, 5 by Vaillancourt, 3 by Isothermic and 1 each by Golden Windows and Home Exclusive

Costs: Labour: Low out put jobs.

Inventory: Sales in line with January Monthly target

Full Year Laval P&L Summary

	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Fcst	\$		%
Units Produced ('000)	18,930	18,951	(21)	(0.1%)	19,150	(221)		(1.2%)
Units Shipped ('000)	19,288	19,217	72	0.4%	18,815	473		2.5%
Bookings (\$'000)	\$ 36,576	\$ 36,128	\$ 448	1.2%	\$ 36,193	\$ 383		1.1%
Backlog ('\$000)	\$ 2,398	\$ 2,398	\$ –	0.0%	\$ 2,942	\$ (545)		(18.5%)
Gross Revenue	\$ 34,819	\$ 34,581	\$ 238	0.7%	\$ 34,485	\$ 334		1.0%
Adj. to Gross Revenue	(2,840)	(2,806)	(34)	1.2%	(2,943)	102		(3.5%)
Net Revenue	31,979	31,775	204	0.6%	31,542	436		1.4%
Material	14,864	14,776	88	0.6%	14,634	230		1.6%
Labor	5,844	5,817	27	0.5%	5,843	1		0.0%
Other COGS	2,200	2,137	63	2.9%	1,926	274		14.2%
Total COGS	22,907	22,730	178	0.8%	22,402	505		2.3%
Gross Margin	9,072	9,046	26	0.3%	9,140	(68)		(0.7%)
<i>Gross Margin %</i>	<i>28.4%</i>	<i>28.5%</i>			<i>29.0%</i>			
R&D	–	–	–	N/A	–	–		N/A
Sales & Marketing	1,527	1,517	10	0.7%	1,754	(226)		(12.9%)
Administrative	2,967	2,967	1	0.0%	2,978	(11)		(0.4%)
Other Opex	(2)	–	(2)	N/A	(7)	5		(77.0%)
Total Opex	4,493	4,484	9	0.2%	4,725	(232)		(4.9%)
EBITDA	4,579	4,562	16	0.4%	4,415	163		3.7%
<i>EBITDA %</i>	<i>14.3%</i>	<i>14.4%</i>			<i>14.0%</i>			
Net Income (Loss)	\$ 3,146	\$ 3,136	\$ 9	0.3%	\$ 3,095	\$ 50		1.6%
Capex	\$ (1,030)	\$ (1,235)	\$ 205	(16.6%)	\$ (1,030)	\$ –		0.0%
<u>Opex Overview:</u>								
Payroll	\$ 1,307	\$ 1,296	\$ 11	0.8%	\$ 1,262	\$ 45		3.6%
Bonus	–	–	–	N/A	–	–		N/A
Commissions	–	–	–	N/A	–	–		N/A
Marketing	519	524	(6)	(1.1%)	770	(252)		(32.7%)
Benefits	–	–	–	N/A	–	–		N/A
Travel and entertainment	38	39	(1)	(2.7%)	50	(12)		(23.2%)
Rent and facilities	–	–	–	N/A	–	–		N/A
Insurance	54	56	(2)	(4.1%)	53	1		1.1%
Professional fees	70	72	(2)	(3.1%)	92	(22)		(24.3%)
Utilities, repair, maintenance, and security	58	60	(2)	(3.3%)	68	(10)		(14.3%)
Corporate OH Fees	2,119	2,117	2	0.1%	2,125	(5)		(0.3%)
Bad Debts	–	–	–	N/A	3	(3)		(100.0%)
FX	(2)	–	(2)	N/A	(7)	5		(77.0%)
JV Loss (Income)	–	–	–	N/A	–	–		N/A
Other Expenses	330	319	11	3.5%	312	18		5.8%
Total Opex	\$ 4,493	\$ 4,484	\$ 9	0.2%	\$ 4,728	\$ (235)		(5.0%)

Key Customers – Full Year Laval

	Gross Sales (\$'000)									Gross Margin %										
	FY		FY		Var		PY		Var		FY		FY		Var		PY		Var	
	Fcst	Bud	\$	%	Act	\$	%	Fcst	Bud	BPs	%	Act	BPs	%						
Customer:																				
SOLARIS QUEBEC P & F INC.	\$	4,596	\$	4,474	\$	122	2.7%	\$	4,265	\$	330	7.7%	24.5%	24.4%	5	0.2%	24.0%	45	1.9%	
ATLANTIC WINDOWS		3,238		3,233		5	0.2%		3,352		(114)	(3.4%)	14.6%	14.8%	(17)	(1.1%)	14.5%	11	0.8%	
SCHLUTER SYSTEMS L.P.		2,575		2,400		175	7.3%		2,664		(89)	(3.4%)	23.0%	23.3%	(31)	(1.3%)	21.6%	136	6.3%	
PTES & FEN ISOTHERMIC INC		2,090		2,142		(52)	(2.4%)		2,064		26	1.3%	22.3%	22.3%	3	0.1%	22.0%	31	1.4%	
LAFLAMME PORTES		2,053		2,068		(15)	(0.7%)		1,959		94	4.8%	(13.4%)	(13.4%)	8	(0.6%)	(13.2%)	(13)	1.0%	
PORTES & FENETRES ABRITEK		1,761		1,805		(44)	(2.4%)		1,629		131	8.1%	30.8%	30.9%	(4)	(0.1%)	30.4%	47	1.5%	
ATIS PORTES & FENETRES		1,549		1,579		(30)	(1.9%)		1,713		(163)	(9.5%)	(17.1%)	(17.2%)	1	(0.1%)	(16.9%)	(27)	1.6%	
EXTREME ENTRANCE SYSTEMS		1,541		1,504		37	2.5%		1,491		50	3.3%	15.9%	15.8%	12	0.8%	15.7%	21	1.3%	
LES FENETRES CONCEPT.		1,257		1,250		7	0.5%		1,163		94	8.1%	16.0%	15.9%	7	0.5%	15.7%	27	1.7%	
FENERGIC INC		1,143		1,074		70	6.5%		1,074		69	6.5%	16.0%	16.2%	(20)	(1.2%)	16.2%	(20)	(1.2%)	
P & C EDDY BOULET INC		983		981		2	0.2%		1,041		(58)	(5.5%)	24.1%	23.7%	39	1.7%	23.5%	55	2.3%	
KENTO WINDOWS & DOORS		698		714		(16)	(2.2%)		644		54	8.4%	33.2%	33.0%	19	0.6%	32.8%	39	1.2%	
FUTURA MANUFACTURIER		506		492		13	2.6%		393		113	28.8%	7.7%	7.3%	44	6.0%	7.4%	31	4.2%	
VAILLANCOURT INC.		499		489		10	2.1%		473		26	5.5%	26.4%	26.4%	10	0.4%	25.9%	51	1.9%	
FENESTRA PURCHASING - GOLDEN		453		451		2	0.3%		621		(168)	(27.1%)	(2.1%)	(1.8%)	(33)	18.2%	(1.6%)	(49)	30.3%	
FENÊTRES PRÉSIDENT		451		451		-	0.0%		—		451	N/A	23.6%	23.6%	—	0.0%	#DIV/0!	NA	#DIV/0!	
PRODUITS DALMEN PRODUCTS		431		421		10	2.3%		499		(68)	(13.6%)	17.8%	17.6%	20	1.2%	17.5%	33	1.9%	
ENTREPRISES DOCO INC.		426		406		20	4.9%		419		6	1.5%	22.7%	22.9%	(18)	(0.8%)	22.6%	14	0.6%	
G R THERIAULT		410		406		4	1.0%		412		(2)	(0.4%)	23.5%	23.8%	(32)	(1.4%)	23.9%	(35)	(1.5%)	
LAS ENTERPRISES		382		400		(18)	(4.4%)		360		22	6.1%	51.1%	51.3%	(14)	(0.3%)	49.6%	156	3.1%	
Other		7,777		7,841		(65)	(0.8%)		8,248		(472)	(5.7%)	59.1%	59.1%	(0)	(0.0%)	2.7%	5,648	2127.1%	
Total Gross	\$	34,819	\$	34,581	\$	238	0.7%	\$	34,485	\$	334	1.0%	26.4%	26.5%	(12)	(0.5%)	26.5%	(14)	(0.5%)	

Delmont Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	1,758	1,600	158	9.9%	1,758	1,600	158	9.9%
Units Shipped ('000)	1,932	1,874	59	3.1%	1,932	1,874	59	3.1%
Bookings (\$'000)	\$ 3,762	\$ 3,234	\$ 528	16.3%	\$ 3,762	\$ 3,234	\$ 528	16.3%
Backlog (\$'000)	\$ 1,700	\$ 1,568	\$ 132	8.4%	\$ 1,700	\$ 1,568	\$ 132	8.4%
Gross Revenue	\$ 3,483	\$ 3,332	\$ 151	4.5%	\$ 3,483	\$ 3,332	\$ 151	4.5%
Adj. to Gross Revenue	(98)	(98)	0	(0.2%)	(98)	(98)	0	(0.2%)
Net Revenue	3,385	3,234	152	4.7%	3,385	3,234	152	4.7%
Material	1,653	1,583	70	4.4%	1,653	1,583	70	4.4%
Labor	642	657	(14)	(2.1%)	642	657	(14)	(2.1%)
Other COGS	371	409	(39)	(9.5%)	371	409	(39)	(9.5%)
Total COGS	2,666	2,649	17	0.6%	2,666	2,649	17	0.6%
Gross Margin	719	585	135	23.0%	719	585	135	23.0%
Gross Margin %	21.2%	18.1%			21.2%	18.1%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	10	14	(4)	(26.8%)	10	14	(4)	(26.8%)
Administrative	221	224	(2)	(1.0%)	221	224	(2)	(1.0%)
Other Opex	—	—	—	N/A	—	—	—	N/A
Total Opex	232	238	(6)	(2.5%)	232	238	(6)	(2.5%)
EBITDA	487	347	141	40.5%	487	347	141	40.5%
EBITDA %	14.4%	10.7%			14.4%	10.7%		
Net Income (Loss)	\$ 322	\$ 197	\$ 125	63.6%	\$ 322	\$ 197	\$ 125	63.6%
Capex	\$ (98)	\$ (167)	\$ 69	(41.1%)	\$ (98)	\$ (167)	\$ 69	(41.1%)
Opex Overview:								
Payroll	\$ 59	\$ 61	\$ (2)	(3.8%)	\$ 59	\$ 61	\$ (2)	(3.8%)
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	—	—	—	N/A	—	—	—	N/A
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	—	—	—	N/A	—	—	—	N/A
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	—	—	—	N/A	—	—	—	N/A
Professional fees	—	—	—	N/A	—	—	—	N/A
Utilities, repair, maintenance, an	4	3	0	13.7%	4	3	0	13.7%
Corporate OH Fees	165	166	(1)	(0.6%)	165	166	(1)	(0.6%)
Bad Debts	—	—	—	N/A	—	—	—	N/A
FX	—	—	—	N/A	—	—	—	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	4	8	(3)	(41.1%)	4	8	(3)	(41.1%)
Total Opex	\$ 232	\$ 238	\$ (6)	(2.5%)	\$ 232	\$ 238	\$ (6)	(2.5%)

Management Discussion

Net Revenue – Jan-20: +\$152K

- Sales volume up 3.1% or \$101k driven by increased demand from PGT and Polaris; offset by decreased demand from Regency and Comfortview.
- Returns in line with budget
- Rebates in line with budget
- Favorable mix impact of \$47k or \$0.02/lb primarily driven by Polaris product mix

EBITDA – Jan-20: +\$141K

- **Material COGS:** Increase in costs by \$70k primarily driven by increased sales volumes \$50k, product mix \$21k and decreased alt material/regrind usage \$17k; offset by increased E&O/LCM inventory reserves \$18k (sold inventory PGT bronze items).
- **Labor COGS:** Decrease in cost by \$14K driven by lower headcount (2) and reduction in casual labor.
- **Other COGS:** Decrease in cost by \$39k driven by favorable net absorption of \$40k.
- **Sales and Marketing:** In line with budget.
- **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	%			
Customer:																																
PGT Industries Inc	\$ 1,971	\$ 1,800	\$ 171	9.5%	\$ 1,801	\$ 170	9.4%	\$ 1,971	\$ 1,800	\$ 171	9.5%	\$ 1,801	\$ 170	9.4%	19.2%	16.8%	239	14.2%	20.5%	(137)	(6.7%)	19.2%	16.8%	239	14.2%	20.0%	(83)	(4.2%)				
Polaris Technologies	560	470	90	19.1%	415	145	34.9%	560	470	90	19.1%	415	145	34.9%	15.1%	12.6%	246	19.5%	10.6%	449	42.3%	15.1%	12.6%	246	19.5%	12.0%	308	25.6%				
Comfort View Products	129	180	(51)	(28.3%)	126	3	2.4%	129	180	(51)	(28.3%)	126	3	2.4%	16.2%	16.0%	15	0.9%	20.4%	(428)	(20.9%)	16.2%	16.0%	15	0.9%	20.5%	(437)	(21.3%)				
Sierra Pacific Windows	209	250	(41)	(16.4%)	281	(72)	(25.6%)	209	250	(41)	(16.4%)	281	(72)	(25.6%)	11.2%	7.0%	428	61.4%	10.4%	84	8.1%	11.2%	7.0%	428	61.4%	7.7%	349	45.1%				
Atrium Windows & Doors	120	120	-	0.0%	123	(3)	(2.4%)	120	120	-	0.0%	123	(3)	(2.4%)	30.4%	32.5%	(214)	(6.6%)	37.9%	(751)	(19.8%)	30.4%	32.5%	(214)	(6.6%)	38.9%	(850)	(21.9%)				
Regency Plus, Inc.	88	155	(67)	(43.2%)	153	(65)	(42.5%)	88	155	(67)	(43.2%)	153	(65)	(42.5%)	12.6%	20.7%	(808)	(39.1%)	23.0%	(1,037)	(45.2%)	12.6%	20.7%	(808)	(39.1%)	20.3%	(771)	(38.0%)				
Brunswick Bowling And Billiards	169	125	44	35.2%	112	57	50.9%	169	125	44	35.2%	112	57	50.9%	52.9%	37.9%	1,501	39.6%	46.5%	643	13.8%	52.9%	37.9%	1,501	39.6%	41.4%	1,147	27.7%				
Qubicaamf Worlwide LCC	64	70	(6)	(8.6%)	70	(6)	(8.6%)	64	70	(6)	(8.6%)	70	(6)	(8.6%)	47.6%	37.0%	1,066	28.9%	17.7%	2,990	168.7%	47.6%	37.0%	1,066	28.9%	32.0%	1,562	48.8%				
NewSouth Window Solutions, LLC	18	50	(32)	(64.0%)	56	(38)	(67.9%)	18	50	(32)	(64.0%)	56	(38)	(67.9%)	16.3%	22.9%	(662)	(28.9%)	45.0%	(2,872)	(63.8%)	16.3%	22.9%	(662)	(28.9%)	41.2%	(2,490)	(60.4%)				
Great Day Improvement, LLC	65	20	45	225.0%	6	59	983.3%	65	20	45	225.0%	6	59	983.3%	34.2%	41.7%	(755)	(18.1%)	2.1%	3,209	1552.8%	34.2%	41.7%	(755)	(18.1%)	28.9%	529	18.3%				
Yoders Window & Siding	50	65	(15)	(23.1%)	53	(3)	(5.7%)	50	65	(15)	(23.1%)	53	(3)	(5.7%)	43.1%	10.7%	3,240	301.8%	28.2%	1,491	52.8%	43.1%	10.7%	3,240	301.8%	34.5%	864	25.0%				
Fairway Building Products	-	-	-	N/A	-	-	N/A	-	-	-	N/A	-	-	N/A	#DIV/0!	#DIV/0!	-	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	23.4%	NA	#VALUE!				
Graber Manufacturing Llc	-	-	-	N/A	-	-	N/A	-	-	-	N/A	-	-	N/A	#DIV/0!	#DIV/0!	-	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	#DIV/0!	NA	#DIV/0!				
Columbia Industries, Inc.	-	-	-	N/A	-	-	N/A	-	-	-	N/A	-	-	N/A	#DIV/0!	#DIV/0!	-	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	39.0%	NA	#VALUE!				
Jeld-Wen Windows & Doors	-	2	(2)	(100.0%)	2	(2)	(100.0%)	-	2	(2)	(100.0%)	2	(2)	(100.0%)	#DIV/0!	16.0%	-	#VALUE!	9.9%	NA	#VALUE!	#DIV/0!	16.0%	-	#VALUE!	9.9%	NA	#VALUE!				
Constant Distribution LLC	-	-	-	N/A	7	(7)	(100.0%)	-	-	-	N/A	7	(7)	(100.0%)	#DIV/0!	#DIV/0!	-	#VALUE!	(12.3%)	NA	#VALUE!	#DIV/0!	#DIV/0!	-	#DIV/0!	(36.6%)	NA	#VALUE!				
CGI	8	5	3	60.0%	4	4	100.0%	8	5	3	60.0%	4	4	100.0%	(25.3%)	14.8%	(4,008)	(271.6%)	26.9%	(5,218)	(194.3%)	(25.3%)	14.8%	(4,008)	(271.6%)	21.3%	(4,661)	(219.0%)				
East Central Indiana Vinyl MFG, LLc	-	-	-	N/A	-	-	N/A	-	-	-	N/A	-	-	N/A	#DIV/0!	#DIV/0!	-	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	50.2%	NA	#VALUE!				
Lakeland Polymers, LLC	-	-	-	N/A	-	-	N/A	-	-	-	N/A	-	-	N/A	#DIV/0!	#DIV/0!	-	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	#DIV/0!	NA	#DIV/0!				
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	32	20	12	61.8%	55	(22)	(40.8%)	32	20	12	61.8%	55	(22)	(40.8%)	1.2%	10.4%	(920)	(88.5%)	(5.9%)	707	(120.3%)	1.2%	10.4%	(920)	(88.5%)	3.7%	(253)	(67.9%)				
Total Gross	\$ 3,483	\$ 3,332	\$ 151	4.5%	\$ 3,264	\$ 220	6.7%	\$ 3,483	\$ 3,332	\$ 151	4.5%	\$ 3,264	\$ 220	6.7%	20.6%	17.5%	310	17.7%	19.9%	70	3.5%	20.6%	17.5%	310	17.7%	20.8%	(13)	(0.6%)				

Management Discussion

- Strong Capstock order improving sales PGT.
- Positive contribution from Polaris as it continues its momentum from 2019.
- Good month for Brunswick and Great Day however could be due to timing.
- Offset by sales below budget from Comfort View, Sierra, Regency and New South.

Key Performance Indicators - Delmont

ENERGI Delmont Extrusion KPI Report	2020 Targets	Jan-20
Health & Safety		
<i>Recordable Incidents</i>	0	0
<i>TRIR (Total Recordable Incident Rate)</i>	<1	3.7
Quality Performance		
<i>Customer Complaints - per MLBS</i>	2.9	1.1
<i>Return as % of sales</i>	0.30%	0.03%
Delivery Performance		
<i>% on time in full</i>	99.25%	97.86%
<i>% by line items</i>	99.60%	98.84%
Costs		
<i>Yield</i>	84.3%	86.11%
<i>Alt/Regrind Compound Consumption Ratio</i>	23.3%	20.3%
<i>Direct Labour \$/lb produced</i>	\$0.186	\$0.180
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.183	\$0.185
Inventory		
<i>Days - TTM (Trailing 12 Months)</i>	63.3	70.1

Comments:

Quality: 2 CC in January - 1 PGT (bow) - 1 SP (shape). 4242 sku's shipped with 49 backordered.

Costs: Alt/Regrind Compound Consumption Ratio: 17% excluding bowling. (92k/lbs mixed regrind utilized).

Inventory: Inventory inline with monthly target for January.

Full Year Delmont P&L Summary

\$'000	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Fcst	\$	%	
Units Produced ('000)	21,993	21,835	158	0.7%	20,887	1,107	5.3%	
Units Shipped ('000)	22,556	22,498	59	0.3%	21,990	567	2.6%	
Bookings (\$'000)	\$ 39,410	\$ 38,882	\$ 528	1.4%	\$ 37,091	\$ 2,319	6.3%	
Backlog (\$'000)	\$ 1,568	\$ 1,568	\$ –	0.0%	\$ 1,244	\$ 324	26.1%	
Gross Revenue	\$ 40,241	\$ 40,090	\$ 151	0.4%	\$ 39,413	\$ 829	2.1%	
Adj. to Gross Revenue	(1,208)	(1,208)	0	(0.0%)	(1,153)	(55)	4.7%	
Net Revenue	39,034	38,882	152	0.4%	38,260	774	2.0%	
Material	19,016	18,946	70	0.4%	18,877	138	0.7%	
Labor	8,056	8,070	(14)	(0.2%)	7,545	510	6.8%	
Other COGS	3,447	3,486	(39)	(1.1%)	3,819	(372)	(9.7%)	
Total COGS	30,519	30,502	17	0.1%	30,242	276	0.9%	
Gross Margin	8,515	8,380	135	1.6%	8,017	498	6.2%	
Gross Margin %	21.8%	21.6%			21.0%			
R&D	–	–	–	N/A	–	–	N/A	
Sales & Marketing	166	169	(4)	(2.2%)	128	38	29.7%	
Administrative	2,683	2,685	(2)	(0.1%)	2,640	43	1.6%	
Other Opex	–	–	–	N/A	–	–	N/A	
Total Opex	2,849	2,855	(6)	(0.2%)	2,767	81	2.9%	
EBITDA	5,666	5,526	141	2.5%	5,250	416	7.9%	
EBITDA %	14.5%	14.2%			13.7%			
Net Income (Loss)	\$ 3,735	\$ 3,610	\$ 125	3.5%	\$ 3,341	\$ 394	11.8%	
Capex	\$ (799)	\$ (1,171)	\$ 372	(31.8%)	\$ (996)	\$ 197	(19.8%)	
Opex Overview:								
Payroll	\$ 734	\$ 736	\$ (2)	(0.3%)	\$ 667	\$ 66	10.0%	
Bonus	–	–	–	N/A	–	–	N/A	
Commissions	–	–	–	N/A	–	–	N/A	
Marketing	–	–	–	N/A	0	(0)	(100.0%)	
Benefits	–	–	–	N/A	–	–	N/A	
Travel and entertainment	0	0	–	0.0%	1	(1)	(94.5%)	
Rent and facilities	–	–	–	N/A	–	–	N/A	
Insurance	–	–	–	N/A	–	–	N/A	
Professional fees	–	–	–	N/A	–	–	N/A	
Utilities, repair, maintenance, and security	37	37	0	1.1%	39	(1)	(3.0%)	
Corporate OH Fees	1,989	1,990	(1)	(0.0%)	1,989	0	0.0%	
Bad Debts	–	–	–	N/A	3	(3)	(100.0%)	
FX	–	–	–	N/A	–	–	N/A	
JV Loss (Income)	–	–	–	N/A	–	–	N/A	
Other Expenses	88	91	(3)	(3.4%)	71	17	23.4%	
Total Opex	\$ 2,849	\$ 2,855	\$ (6)	(0.2%)	\$ 2,770	\$ 79	2.8%	

Key Customers – Full Year Delmont

	Gross Sales (\$'000)									Gross Margin %									
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var			
	Fcst	Bud	\$	%	Fcst	\$	%	Fcst	\$	%	Fcst	Bud	BPs	%	Fcst	BPs	%		
Customer:																			
PGT Industries Inc	\$	21,553	\$	21,382	\$	171	0.8%	\$	20,750	\$	803	3.9%	20.7%	20.5%	21	1.0%	19.4%	134	6.9%
Polaris Technologies		6,065		5,975		90	1.5%		5,042		1,023	20.3%	14.8%	14.5%	23	1.5%	14.7%	8	0.6%
Comfort View Products		2,049		2,100		(51)	(2.4%)		2,209		(160)	(7.2%)	20.1%	20.0%	12	0.6%	17.7%	243	13.8%
Sierra Pacific Windows		2,845		2,886		(41)	(1.4%)		2,861		(16)	(0.6%)	9.1%	8.7%	38	4.4%	7.2%	190	26.4%
Atrium Windows & Doors		1,499		1,499		-	0.0%		1,432		67	4.7%	37.6%	37.8%	(19)	(0.5%)	37.8%	(18)	(0.5%)
Regency Plus, Inc.		2,173		2,240		(67)	(3.0%)		1,940		233	12.0%	20.4%	20.8%	(37)	(1.8%)	20.8%	(34)	(1.6%)
Brunswick Bowling And Billiards		1,632		1,588		44	2.8%		1,793		(161)	(9.0%)	43.7%	42.2%	157	3.7%	40.8%	293	7.2%
Qubicaamf Worlwide LCC		892		898		(6)	(0.7%)		1,009		(117)	(11.6%)	42.5%	41.6%	89	2.1%	43.6%	(109)	(2.5%)
NewSouth Window Solutions, LLC		368		400		(32)	(8.0%)		571		(203)	(35.6%)	42.5%	41.1%	141	3.4%	39.6%	290	7.3%
Great Day Improvement, LLC		368		323		45	13.9%		415		(47)	(11.3%)	35.8%	36.6%	(77)	(2.1%)	33.0%	284	8.6%
Yoders Window & Siding		251		266		(15)	(5.6%)		304		(53)	(17.4%)	47.4%	38.2%	922	24.1%	33.8%	1,362	40.3%
Fairway Building Products		-		-		-	N/A		60		(60)	(100.0%)	#DIV/0!	#DIV/0! -		#DIV/0!	22.8%	NA	#VALUE!
Graber Manufacturing Llc		-		-		-	N/A		-		-	N/A	#DIV/0!	#DIV/0! -		#DIV/0!	#DIV/0!	NA	#DIV/0!
Columbia Industries, Inc.		78		78		-	0.0%		122		(44)	(36.1%)	41.5%	45.0%	(349)	(7.8%)	25.3%	1,618	63.9%
Jeld-Wen Windows & Doors		19		21		(2)	(9.5%)		32		(13)	(40.6%)	21.8%	21.2%	59	2.8%	16.6%	524	31.6%
Constant Distribution LLC		-		-		-	N/A		7		(7)	(100.0%)	#DIV/0!	#DIV/0! -		#DIV/0!	(36.6%)	NA	#VALUE!
CGI		118		115		3	2.6%		97		21	21.6%	6.4%	9.3%	(288)	(31.1%)	6.0%	38	6.2%
East Central Indiana Vinyl MFG, LL		18		18		-	0.0%		37		(19)	(51.4%)	59.5%	64.5%	(500)	(7.8%)	50.7%	883	17.4%
Lakeland Polymers, LLC		21		21		-	0.0%		27		(6)	(22.2%)	(80.8%)	(87.6%)	679	(7.8%)	(97.4%)	1,661	(17.1%)
JP Industrial Products Inc		-		-		-	N/A		-		-	N/A	#DIV/0!	#DIV/0! -		#DIV/0!	#DIV/0!	NA	#DIV/0!
Other		292		280		12	4.4%		705		(412)	(58.5%)	9.6%	10.5%	(95)	(9.0%)	4.8%	474	98.1%
Total Gross	\$	40,241	\$	40,090	\$	151	0.4%	\$	39,413	\$	829	2.1%	21.4%	21.2%	29	1.4%	20.3%	110	5.4%

Everett Summary P&L

	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	1,190	1,372	(181)	(13.2%)	1,190	1,372	(181)	(13.2%)
Units Shipped ('000)	1,031	1,131	(100)	(8.9%)	1,031	1,131	(100)	(8.9%)
Bookings (\$'000)	\$ 1,954	\$ 1,887	\$ 67	3.5%	\$ 1,954	\$ 1,887	\$ 67	3.5%
Backlog ('\$000)	\$ 1,439	\$ 1,139	\$ 301	26.4%	\$ 1,439	\$ 1,139	\$ 301	26.4%
Gross Revenue	\$ 1,679	\$ 1,832	\$ (153)	(8.4%)	\$ 1,679	\$ 1,832	\$ (153)	(8.4%)
Adj. to Gross Revenue	(79)	(91)	12	(13.1%)	(79)	(91)	12	(13.1%)
Net Revenue	1,600	1,741	(141)	(8.1%)	1,600	1,741	(141)	(8.1%)
Material	911	880	31	3.5%	911	880	31	3.5%
Labor	495	491	5	0.9%	495	491	5	0.9%
Other COGS	34	67	(33)	(49.3%)	34	67	(33)	(49.3%)
Total COGS	1,441	1,438	3	0.2%	1,441	1,438	3	0.2%
Gross Margin	159	303	(144)	(47.5%)	159	303	(144)	(47.5%)
Gross Margin %	9.9%	17.4%			9.9%	17.4%		
R&D	—	—	—	N/A	—	—	—	N/A
Sales & Marketing	22	28	(6)	(21.8%)	22	28	(6)	(21.8%)
Administrative	263	252	11	4.5%	263	252	11	4.5%
Other Opex	2	—	2	N/A	2	—	2	N/A
Total Opex	288	280	7	2.6%	288	280	7	2.6%
EBITDA	(129)	23	(151)	(662.4%)	(129)	23	(151)	(662.4%)
EBITDA %	(8.0%)	1.3%			(8.0%)	1.3%		
Net Income (Loss)	\$ (277)	\$ (123)	\$ (154)	125.1%	\$ (277)	\$ (123)	\$ (154)	125.1%
Capex	\$ (135)	\$ (135)	\$ 0	(0.1%)	\$ (135)	\$ (135)	\$ 0	(0.1%)
Opex Overview:								
Payroll	\$ 69	\$ 64	\$ 4	6.7%	\$ 69	\$ 64	\$ 4	6.7%
Bonus	—	—	—	N/A	—	—	—	N/A
Commissions	—	—	—	N/A	—	—	—	N/A
Marketing	7	16	(9)	(56.2%)	7	16	(9)	(56.2%)
Benefits	—	—	—	N/A	—	—	—	N/A
Travel and entertainment	0	—	0	N/A	0	—	0	N/A
Rent and facilities	—	—	—	N/A	—	—	—	N/A
Insurance	12	13	(1)	(6.8%)	12	13	(1)	(6.8%)
Professional fees	10	—	10	N/A	10	—	10	N/A
Utilities, repair, maintenance, an	0	—	0	N/A	0	—	0	N/A
Corporate OH Fees	177	177	0	0.1%	177	177	0	0.1%
Bad Debts	0	—	0	N/A	0	—	0	N/A
FX	2	—	2	N/A	2	—	2	N/A
JV Loss (Income)	—	—	—	N/A	—	—	—	N/A
Other Expenses	10	10	(0)	(0.8%)	10	10	(0)	(0.8%)
Total Opex	\$ 288	\$ 280	\$ 7	2.6%	\$ 288	\$ 280	\$ 7	2.6%

Management Discussion

Net Revenue – Jan-20: (\$141K)

- Sales volume down 8.9% or \$154k driven by decreased volume from Simonton, Cascade and West Coast; offset by increased volume from Coastal and KGW.
- Returns & accruals unfavorable by \$4k
- Rebates favorable by \$8k
- Higher ASP by \$9k primarily driven by capstock sales

EBITDA – Jan-20: (\$151K)

- **Material COGS:** Increase in costs by \$31k driven by increased production scrap \$75k (increase in mixed regrind and capstock launch cost) and increase in LCM inventory reserves \$34k (accessory parts of Cascade, CDA and Lindsay); offset by lower sales volumes \$78k
- **Labor COGS:** Increase in cost by \$5k driven by capstock launch and absenteeism \$39k; offset by Compwise rebate of \$34k
- **Other COGS:** Decrease in cost by \$33k driven by lower freight \$9k (sales volume), lower utilities \$9k and lower tool & die expenses \$11k (steel inventory adjustment)
- **Sales and Marketing:** Decrease in costs by \$6k driven by lower samples costs (no samples shipped)
- **Administrative:** Increase in costs by \$11k primarily driven by recruitment fees for financial analyst.
- **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	BPs	%	Act	BPs	%	Act	Bud	BPs	%	Act	BPs	%	
Customer:																													
Simonton	\$ 523	\$ 693	\$ (170)	(24.5%)	\$ 693	\$ (170)	(24.5%)	\$ 523	\$ 693	\$ (170)	(24.5%)	\$ 693	\$ (170)	(24.5%)	7.3%	21.0%	(1,374)	(65.4%)	14.3%	(706)	(49.3%)	7.3%	21.0%	(1,374)	(65.4%)	17.6%	(1,038)	(58.8%)	
Cascade	148	200	(52)	(26.0%)	185	(37)	(19.9%)	148	200	(52)	(26.0%)	185	(37)	(19.9%)	(39.7%)	(15.0%)	(2,472)	164.8%	(16.0%)	(2,368)	147.6%	(39.7%)	(15.0%)	(2,472)	164.8%	(13.1%)	(2,664)	203.7%	
Coeur d'Alene	304	317	(13)	(4.0%)	282	22	7.9%	304	317	(13)	(4.0%)	282	22	7.9%	(2.1%)	8.1%	(1,017)	(125.3%)	(0.5%)	(157)	329.7%	(2.1%)	8.1%	(1,017)	(125.3%)	0.9%	(296)	(325.2%)	
Westeck	117	141	(24)	(17.0%)	141	(24)	(17.0%)	117	141	(24)	(17.0%)	141	(24)	(17.0%)	23.0%	21.8%	113	5.2%	21.8%	113	5.2%	23.0%	21.8%	113	5.2%	21.7%	130	6.0%	
All Weather	111	97	14	14.6%	97	14	14.5%	111	97	14	14.6%	97	14	14.5%	(9.4%)	(4.5%)	(493)	109.5%	(6.0%)	(340)	56.4%	(9.4%)	(4.5%)	(493)	109.5%	(1.2%)	(818)	656.1%	
KGW	145	108	38	35.2%	99	46	46.4%	145	108	38	35.2%	99	46	46.4%	30.4%	32.9%	(242)	(7.4%)	32.9%	(242)	(7.4%)	30.4%	32.9%	(242)	(7.4%)	31.1%	(66)	(2.1%)	
Lindsay	66	75	(10)	(12.6%)	69	(3)	(4.8%)	66	75	(10)	(12.6%)	69	(3)	(4.8%)	13.9%	15.3%	(137)	(9.0%)	15.3%	(137)	(9.0%)	13.9%	15.3%	(137)	(9.0%)	12.4%	149	12.0%	
Whisper Walls	19	46	(27)	(58.2%)	42	(23)	(54.6%)	19	46	(27)	(58.2%)	42	(23)	(54.6%)	54.5%	47.5%	699	14.7%	47.5%	699	14.7%	54.5%	47.5%	699	14.7%	45.5%	898	19.7%	
Western	74	–	74	N/A	–	74	N/A	74	–	74	N/A	–	74	N/A	49.9%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	49.9%	#DIV/0!	–	#DIV/0!	45.8%	410	9.0%	
Northerm - Yukon	38	–	38	N/A	–	38	N/A	38	–	38	N/A	–	38	N/A	40.0%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	40.0%	#DIV/0!	–	#DIV/0!	35.7%	426	11.9%	
West Coast Designed	–	47	(47)	(100.0%)	43	(43)	(100.0%)	–	47	(47)	(100.0%)	43	(43)	(100.0%)	#DIV/0!	47.7%	–	#VALUE!	47.7%	NA	#VALUE!	#DIV/0!	47.7%	–	#VALUE!	43.4%	NA	#VALUE!	
Coastal	79	1	78	9170.7%	1	78	9912.3%	79	1	78	9170.7%	1	78	N/A	38.2%	30.0%	815	27.2%	(78.5%)	11,666	(148.6%)	38.2%	30.0%	815	27.2%	29.7%	849	28.6%	
Modern	–	32	(32)	(100.0%)	34	(34)	(100.0%)	–	32	(32)	(100.0%)	34	(34)	(100.0%)	#DIV/0!	16.8%	–	#VALUE!	16.8%	NA	#VALUE!	#DIV/0!	16.8%	–	#VALUE!	10.6%	NA	#VALUE!	
Hometime	–	–	-	N/A	–	-	N/A	–	–	-	N/A	–	-	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Avanti	13	13	0	4.0%	11	2	21.5%	13	13	0	4.0%	11	2	21.5%	38.7%	42.6%	(388)	(9.1%)	42.6%	(388)	(9.1%)	38.7%	42.6%	(388)	(9.1%)	38.7%	7	0.2%	
RMA	–	–	-	N/A	–	-	N/A	–	–	-	N/A	–	-	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Intl - Yellow Dog	–	–	-	N/A	–	-	N/A	–	–	-	N/A	–	-	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
La Cantina	8	10	(2)	(22.2%)	9	(1)	(15.5%)	8	10	(2)	(22.2%)	9	(1)	(15.5%)	42.7%	43.5%	(86)	(2.0%)	43.5%	(86)	(2.0%)	42.7%	43.5%	(86)	(2.0%)	41.3%	135	3.3%	
R&R	–	–	-	N/A	–	-	N/A	–	–	-	N/A	–	-	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	–	#DIV/0!	51.0%	NA	#VALUE!
Danjo	3	–	3	N/A	–	3	N/A	3	–	3	N/A	–	3	N/A	84.2%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	84.2%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!	
Other	30	51	(21)	(41.9%)	189	(160)	(84.3%)	30	51	(21)	(41.9%)	189	(160)	(84.3%)	53.2%	56.0%	(283)	(5.1%)	(32.9%)	8,611	(261.4%)	53.2%	56.0%	(283)	(5.1%)	(0.8%)	5,394	(6972.2%)	
Total Gross	\$ 1,679	\$ 1,832	\$ (153)	(8.4%)	\$ 1,897	\$ (218)	(11.5%)	\$ 1,679	\$ 1,832	\$ (153)	(8.4%)	\$ 1,897	\$ (218)	(11.5%)	9.5%	16.5%	(707)	(42.7%)	6.6%	288	43.7%	9.5%	16.5%	(707)	(42.7%)	13.3%	(387)	(29.0%)	

Management Discussion

- Decline in Simonton, Cascade and Westeck due to timing.
- KGW higher vs budget after slow 2019

Key Performance Indicators - Everett

ENERGI Everett Extrusion KPI Report	2020 Targets	Jan-20
Health & Safety		
<i>Recordable Incidents</i>	1	0
<i>TRIR (Total Recordable Incident Rate)</i>	<1	3.24
Quality Performance		
<i>Customer Complaints - per MLBS</i>	10.0	3.9
<i>Return as % of sales</i>	0.44%	0.68%
Delivery Performance		
<i>% on time in full</i>	99.20%	100.00%
<i>% by line items</i>	99.20%	100.00%
Costs		
<i>Yield</i>	87.4%	89.6%
<i>Alt/Regrind Compound Consumption Ratio</i>	20.0%	24.0%
<i>Direct Labour \$/lb produced</i>	\$0.195	\$ 0.204
<i>Indirect Labour (incl D&D) \$/lb produced</i>	\$0.185	\$ 0.212
Inventory		
<i>Days - TTM (Trailing 12 Months)</i>	104.3	92.2

Comments

Quality: Normally higher in January

Cost: Labour: (Direct) Capstock and absenteeism. (Indirect) Lower production volume and tooling labour.

Full Year Everett P&L Summary

\$'000	FY		Var		PY	Var	
	Fcst	Bud	\$	%	Act	\$	%
Units Produced ('000)	15,821	16,002	(181)	(1.1%)	15,729	91	0.6%
Units Shipped ('000)	15,822	15,922	(100)	(0.6%)	15,371	451	2.9%
Bookings (\$'000)	\$ 26,714	\$ 26,647	\$ 67	0.3%	\$ 24,880	\$ 1,834	7.4%
Backlog ('\$000)	\$ 1,195	\$ 1,195	\$ –	0.0%	\$ 1,245	\$ (50)	(4.0%)
Gross Revenue	\$ 26,383	\$ 26,536	\$ (153)	(0.6%)	\$ 24,943	\$ 1,440	5.8%
Adj. to Gross Revenue	(1,230)	(1,242)	12	(1.0%)	(1,100)	(131)	11.9%
Net Revenue	25,152	25,294	(141)	(0.6%)	23,843	1,309	5.5%
Material	12,797	12,766	31	0.2%	12,371	426	3.4%
Labor	6,082	6,078	5	0.1%	6,177	(95)	(1.5%)
Other COGS	2,478	2,511	(33)	(1.3%)	2,505	(27)	(1.1%)
Total COGS	21,358	21,355	3	0.0%	21,053	305	1.4%
Gross Margin	3,795	3,939	(144)	(3.7%)	2,790	1,005	36.0%
Gross Margin %	15.1%	15.6%			11.7%		
R&D	–	–	–	N/A	–	–	N/A
Sales & Marketing	242	249	(6)	(2.5%)	315	(73)	(23.1%)
Administrative	3,048	3,037	11	0.4%	2,977	72	2.4%
Other Opex	2	–	2	N/A	(6)	8	(141.8%)
Total Opex	3,293	3,286	7	0.2%	3,286	7	0.2%
EBITDA	502	653	(151)	(23.2%)	(496)	997	(201.2%)
EBITDA %	2.0%	2.6%			(2.1%)		
Net Income (Loss)	\$ (1,490)	\$ (1,337)	\$ (154)	11.5%	\$ (1,952)	\$ 462	(23.7%)
Capex	\$ (1,828)	\$ (752)	\$ (1,075)	143.0%	\$ (2,170)	\$ 342	(15.8%)
<u>Opex Overview:</u>							
Payroll	\$ 777	\$ 773	\$ 4	0.6%	\$ 686	\$ 92	13.4%
Bonus	–	–	–	N/A	–	–	N/A
Commissions	–	–	–	N/A	–	–	N/A
Marketing	86	95	(9)	(9.3%)	165	(80)	(48.1%)
Benefits	–	–	–	N/A	–	–	N/A
Travel and entertainment	16	16	0	0.8%	6	10	178.1%
Rent and facilities	–	–	–	N/A	–	–	N/A
Insurance	148	149	(1)	(0.6%)	152	(4)	(2.9%)
Professional fees	10	–	10	N/A	17	(7)	(41.1%)
Utilities, repair, maintenance, and security	0	–	0	N/A	5	(5)	(90.8%)
Corporate OH Fees	2,131	2,131	0	0.0%	2,130	1	0.1%
Bad Debts	0	–	0	N/A	3	(3)	(99.4%)
FX	2	–	2	N/A	(6)	8	(141.8%)
JV Loss (Income)	–	–	–	N/A	–	–	N/A
Other Expenses	122	122	(0)	(0.1%)	130	(9)	(6.6%)
Total Opex	\$ 3,293	\$ 3,286	\$ 7	0.2%	\$ 3,289	\$ 4	0.1%

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	\$	9,330	\$	9,500	\$	(170)	(1.8%)	\$	9,562	\$	(232)	(2.4%)	20.0%	20.9%	(88)	(4.2%)	11.7%	828	70.6%
Cascade		4,094		4,146		(52)	(1.3%)		2,073		2,020	97.4%	(15.7%)	(14.6%)	(103)	7.0%	(28.4%)	1,276	(44.9%)
Coeur d'Alene		3,743		3,755		(13)	(0.3%)		3,684		58	1.6%	6.8%	7.7%	(95)	(12.4%)	0.1%	664	6028.8%
Westeck		1,576		1,600		(24)	(1.5%)		1,643		(67)	(4.1%)	24.2%	24.0%	13	0.6%	23.6%	53	2.2%
All Weather		1,292		1,277		14	1.1%		1,455		(164)	(11.3%)	(3.0%)	(2.5%)	(50)	20.3%	(5.5%)	254	(46.1%)
KGW		1,045		1,007		38	3.8%		955		90	9.5%	31.4%	31.7%	(31)	(1.0%)	31.8%	(38)	(1.2%)
Lindsay		994		1,003		(10)	(0.9%)		907		87	9.6%	12.4%	12.6%	(14)	(1.1%)	13.2%	(74)	(5.6%)
Whisper Walls		773		800		(27)	(3.3%)		677		96	14.2%	48.0%	47.7%	22	0.5%	48.7%	(71)	(1.5%)
Western		766		693		74	10.6%		511		256	50.1%	35.8%	33.9%	188	5.5%	32.9%	293	8.9%
Northern - Yukon		538		500		38	7.5%		657		(119)	(18.2%)	39.4%	39.4%	4	0.1%	40.1%	(72)	(1.8%)
West Coast Designed		353		400		(47)	(11.7%)		379		(26)	(6.7%)	42.1%	42.9%	(77)	(1.8%)	41.2%	97	2.4%
Coastal		404		326		78	23.9%		316		89	28.1%	32.1%	32.8%	(72)	(2.2%)	44.1%	(1,201)	(27.3%)
Modern		193		226		(32)	(14.3%)		256		(62)	(24.4%)	23.5%	22.7%	85	3.7%	21.3%	229	10.8%
Hometime		188		188		-	0.0%		169		19	11.3%	31.7%	33.1%	(141)	(4.2%)	27.3%	441	16.1%
Avanti		177		176		0	0.3%		98		79	81.0%	34.0%	34.3%	(32)	(0.9%)	33.8%	22	0.7%
RMA		154		154		-	0.0%		72		82	113.1%	45.7%	45.7%	—	0.0%	50.4%	(474)	(9.4%)
Intl - Yellow Dog		150		150		-	0.0%		115		35	30.0%	2.6%	2.6%	—	0.0%	2.1%	47	22.2%
La Cantina		116		118		(2)	(1.9%)		80		35	44.2%	39.1%	39.3%	(18)	(0.5%)	41.3%	(223)	(5.4%)
R&R		90		90		-	0.0%		110		(20)	(18.2%)	52.2%	51.8%	42	0.8%	55.7%	(342)	(6.1%)
Danjo		86		83		3	3.5%		65		21	31.9%	49.3%	47.6%	168	3.5%	44.7%	457	10.2%
Other		322		344		(21)	(6.3%)		1,160		(838)	(72.2%)	33.5%	33.1%	46	1.4%	14.8%	1,872	126.5%
Total Gross	\$	26,383	\$	26,536	\$	(153)	(0.6%)	\$	24,943	\$	1,440	5.8%	14.7%	15.3%	(52)	(3.4%)	11.2%	356	31.8%

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)	\$ 1,386	\$ 1,255	\$ 130	10.4%	\$ 1,386	\$ 1,255	\$ 130	10.4%
Backlog (\$'000)	\$ 1,311	\$ 1,064	\$ 246	23.1%	\$ 1,311	\$ 1,064	\$ 246	23.1%
Gross Revenue	\$ 1,107	\$ 1,243	\$ (136)	(11.0%)	\$ 1,107	\$ 1,243	\$ (136)	(11.0%)
Adj. to Gross Revenue	(64)	(58)	(6)	10.4%	(64)	(58)	(6)	10.4%
Net Revenue	1,043	1,185	(142)	(12.0%)	1,043	1,185	(142)	(12.0%)
Material	636	763	(127)	(16.6%)	636	763	(127)	(16.6%)
Labor	331	336	(6)	(1.7%)	331	336	(6)	(1.7%)
Other COGS	113	24	89	364.9%	113	24	89	364.9%
Total COGS	1,080	1,124	(44)	(3.9%)	1,080	1,124	(44)	(3.9%)
Gross Margin	(38)	61	(99)	(161.5%)	(38)	61	(99)	(161.5%)
Gross Margin %	(3.6%)	5.2%			(3.6%)	5.2%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	29	35	(6)	(17.4%)	29	35	(6)	(17.4%)
Administrative	191	191	0	0.1%	191	191	0	0.1%
Other Opex	(13)	–	(13)	N/A	(13)	–	(13)	N/A
Total Opex	207	225	(19)	(8.4%)	207	225	(19)	(8.4%)
EBITDA	(244)	(164)	(80)	48.4%	(244)	(164)	(80)	48.4%
EBITDA %	(23.4%)	(13.9%)			(23.4%)	(13.9%)		
Net Income (Loss)	\$ (253)	\$ (175)	\$ (78)	44.3%	\$ (253)	\$ (175)	\$ (78)	44.3%
Capex	\$ (4)	\$ (90)	\$ 86	(95.2%)	\$ (4)	\$ (90)	\$ 86	(95.2%)
Opex Overview:								
Payroll	\$ 76	\$ 93	\$ (17)	(18.6%)	\$ 76	\$ 93	\$ (17)	(18.6%)
Bonus	–	–	–	N/A	–	–	–	N/A
Commissions	–	–	–	N/A	–	–	–	N/A
Marketing	3	2	1	54.4%	3	2	1	54.4%
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	1	0	1	151.0%	1	0	1	151.0%
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	–	–	–	N/A	–	–	–	N/A
Professional fees	3	2	0	19.2%	3	2	0	19.2%
Utilities, repair, maintenance, an	4	4	0	10.7%	4	4	0	10.7%
Corporate OH Fees	123	119	4	3.4%	123	119	4	3.4%
Bad Debts	–	–	–	N/A	–	–	–	N/A
FX	(13)	–	(13)	N/A	(13)	–	(13)	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	10	5	5	104.5%	10	5	5	104.5%
Total Opex	\$ 207	\$ 225	\$ (19)	(8.4%)	\$ 207	\$ 225	\$ (19)	(8.4%)

Management Discussion

Net Revenue – Jan-20: (\$142)K

- Sales volume decreased \$186k due to decreased demand from ATIS, Ostaco, Isothermic, Mason and All Weather
- Unfavorable rebates/returns of \$12k primarily driven by new rebate programs \$7k and pricing adjustments \$5k.
- Favorable ASP of \$41k due to customer/product mix
- Favorable F/X of \$14k (actual rate of 1.3087 [or \$USD 0.7641] vs. 1.33 [or \$USD 0.7519])

EBITDA – Jan-20: (\$80K)

- **Material COGS:** Decrease in costs by \$127K primarily driven by sales volume decrease \$119k and Metal up rebate \$43k; offset by customer/product mix \$29k, and increased inventory reserves \$6k (obsolete colours)
- **Labor COGS:** Decrease in costs by \$6k due to lower production volumes \$14k; offset by 3 additional headcount to support the new ATIS business
- **Other COGS:** Increase in cost by \$89k driven by unfavorable net absorption \$92k (lower production volumes). Plan was to start building the 500 ATIS doors (delayed waiting for customer approval of sample doors)
- **Sales and Marketing:** Decrease in cost by \$6k driven by decreased CSR headcount.
- **Administrative:** In line with plan.
- **Other Opex:** Decrease in cost by \$13k driven by favorable 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	%																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
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A.M.I.	\$	222	\$	222	\$	0	0.0%	\$	221	\$	0	0.2%	\$	222	\$	222	\$	0	0.0%	\$	221	\$	0	0.2%																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			

Management Discussion

- Slow order intake impacted by slow sales in Quebec. Major impact due to Atis, Isothermic and Ostaco.
- Improved sales to Golden due to additional painted lineals.
- Good pickup from Dashwood and Vaillancourt which continues to show growth

Key Performance Indicators - Terrebonne

ENERGI Terrebonne Patio Door KPI Report	2020 Targets	Jan-20
Health & Safety		
<i>Recordable Incidents</i>	0	0
<i>TRIR (Total Recordable Incident Rate)</i>	<1	3.8
Quality Performance		
<i>Customer Complaints - per MLBS</i>	2.8	3.9
<i>Return as % of sales</i>	0.55%	1.04%
Delivery Performance		
<i>% on time in full</i>	95.00%	99.37%
<i>% by line items</i>	95.00%	99.37%
Costs		
<i>Direct Labour \$/FPV</i>	\$0.156	\$ 0.210
<i>Indirect Labour (incl D&D) \$/FPV</i>	\$0.055	\$ 0.092
Inventory		
<i>Days - TTM (Trailing 12 Months)</i>	68.4	64

Comments:

Quality: Complaints higher due to cold temperatures. CSR input errors affecting higher return ratio

Delivery: Issues with raw material delivery

Labour: lower volume and low order intake

Full Year Terrebonne P&L Summary

\$'000	FY		Var		PY		Var	
	Fcst	Bud	\$	%	Act	\$	%	
Units Produced ('000)	—	—	—	N/A	—	—	N/A	
Units Shipped ('000)	—	—	—	N/A	—	—	N/A	
Bookings (\$'000)	\$ 24,620	\$ 24,489	\$ 130	0.5%	\$ 20,510	\$ 4,110	20.0%	
Backlog (\$'000)	\$ 1,294	\$ 1,294	\$ —	0.0%	\$ 1,050	\$ 244	23.2%	
Gross Revenue	\$ 24,845	\$ 24,981	\$ (136)	(0.5%)	\$ 20,539	\$ 4,305	21.0%	
Adj. to Gross Revenue	(1,235)	(1,229)	(6)	0.5%	(1,035)	(200)	19.3%	
Net Revenue	23,610	23,752	(142)	(0.6%)	19,505	4,105	21.0%	
Material	14,616	14,743	(127)	(0.9%)	12,383	2,233	18.0%	
Labor	4,494	4,500	(6)	(0.1%)	4,136	358	8.7%	
Other COGS	2,007	1,918	89	4.6%	2,093	(87)	(4.1%)	
Total COGS	21,117	21,161	(44)	(0.2%)	18,613	2,504	13.5%	
Gross Margin	2,493	2,592	(99)	(3.8%)	892	1,601	179.5%	
Gross Margin %	10.6%	10.9%			4.6%			
R&D	—	—	—	N/A	—	—	N/A	
Sales & Marketing	426	433	(6)	(1.4%)	417	10	2.3%	
Administrative	2,373	2,372	0	0.0%	2,310	62	2.7%	
Other Opex	(13)	—	(13)	N/A	34	(47)	(139.0%)	
Total Opex	2,786	2,805	(19)	(0.7%)	2,761	25	0.9%	
EBITDA	(293)	(213)	(80)	37.4%	(1,869)	1,576	(84.3%)	
EBITDA %	(1.2%)	(0.9%)			(9.6%)			
Net Income (Loss)	\$ (442)	\$ (365)	\$ (78)	21.3%	\$ (1,959)	\$ 1,516	(77.4%)	
Capex	\$ (129)	\$ (287)	\$ 158	(54.9%)	\$ (141)	\$ 12	(8.5%)	
Opex Overview:								
Payroll	\$ 1,076	\$ 1,093	\$ (17)	(1.6%)	\$ 998	\$ 78	7.8%	
Bonus	—	—	—	N/A	—	—	N/A	
Commissions	—	—	—	N/A	—	—	N/A	
Marketing	24	23	1	4.5%	59	(35)	(58.8%)	
Benefits	—	—	—	N/A	—	—	N/A	
Travel and entertainment	9	8	1	8.2%	10	(1)	(14.2%)	
Rent and facilities	—	—	—	N/A	—	—	N/A	
Insurance	—	—	—	N/A	—	—	N/A	
Professional fees	70	69	0	0.7%	66	3	4.8%	
Utilities, repair, maintenance, and security	73	73	0	0.6%	55	18	33.4%	
Corporate OH Fees	1,463	1,459	4	0.3%	1,463	(0)	(0.0%)	
Bad Debts	—	—	—	N/A	3	(3)	(100.0%)	
FX	(13)	—	(13)	N/A	34	(47)	(139.0%)	
JV Loss (Income)	—	—	—	N/A	—	—	N/A	
Other Expenses	84	79	5	6.2%	75	9	11.8%	
Total Opex	\$ 2,786	\$ 2,805	\$ (19)	(0.7%)	\$ 2,764	\$ 22	0.8%	

Key Customers – Full Year Terrebonne

	Gross Sales (\$'000)									Gross Margin %									
	FY		FY		Var		PY		Var		FY	FY	Var		PY	Var			
	Fcst	Bud	\$	%	Act	\$	%	Fcst	Bud	BPs	%	Act	BPs	%					
Customer:																			
A.M.I.	\$	4,296	\$	4,227	\$	68	1.6%	\$	3,628	\$	668	18.4%	7.4%	7.9%	(48)	(6.0%)	10.2%	(278)	(27.2%)
ATIS PORTES & FENETRES		3,433		3,489		(56)	(1.6%)		252		3,181	1261.1%	(15.6%)	(15.2%)	(41)	2.7%	(161.1%)	14,544	(90.3%)
GOLDEN WINDOWS		2,432		2,326		107	4.6%		2,132		300	14.1%	2.3%	5.3%	(294)	(55.7%)	7.1%	(478)	(67.1%)
OSTACO 2000 WINDOORS INC		1,852		1,861		(8)	(0.5%)		1,769		84	4.7%	(10.1%)	(10.2%)	9	(0.9%)	(7.1%)	(300)	42.3%
PORTES & FENETRES ABRITEK		1,090		1,085		4	0.4%		1,545		(456)	(29.5%)	13.4%	14.4%	(105)	(7.3%)	10.5%	291	27.8%
DASHWOOD INDUSTRIES INC		1,004		930		74	7.9%		996		9	0.9%	(5.4%)	(8.8%)	339	(38.6%)	(0.4%)	(504)	1400.1%
P & F ISOTHERMIC INC		817		853		(36)	(4.2%)		943		(126)	(13.3%)	(10.1%)	(9.2%)	(89)	9.7%	5.9%	(1,599)	(270.8%)
VAILLANCOURT INC.		904		853		51	6.0%		937		(33)	(3.5%)	4.1%	7.0%	(285)	(41.0%)	9.6%	(551)	(57.3%)
EXTREME WINDOW AND		519		504		15	3.0%		462		57	12.3%	(7.2%)	(8.3%)	108	(13.0%)	(3.9%)	(332)	84.8%
Fenêtres Concept		450		442		9	1.9%		487		(37)	(7.5%)	26.7%	29.6%	(295)	(10.0%)	32.3%	(557)	(17.3%)
YKK AP VINYL		363		361		2	0.6%		371		(8)	(2.2%)	37.8%	41.9%	(405)	(9.7%)	49.9%	(1,209)	(24.2%)
CANADIAN VINYLTEK WINDOWS C		373		349		24	6.8%		387		(14)	(3.6%)	(7.4%)	(15.9%)	848	(53.4%)	(10.8%)	345	(31.8%)
MASON WINDOWS LTD		333		349		(16)	(4.5%)		344		(11)	(3.2%)	7.2%	8.3%	(111)	(13.4%)	12.0%	(474)	(39.6%)
CEN		353		349		4	1.0%		381		(29)	(7.6%)	19.3%	20.8%	(150)	(7.2%)	22.0%	(267)	(12.2%)
TRI-STATE WINDOW FACTORY		309		309		(1)	(0.2%)		411		(102)	(24.9%)	20.5%	20.3%	19	1.0%	16.5%	399	24.2%
ATLANTIC WINDOWS		273		271		2	0.7%		245		28	11.4%	(0.1%)	(1.1%)	104	(94.8%)	1.2%	(127)	(104.7%)
LORENDO INC.		239		233		7	2.9%		206		33	16.1%	(0.4%)	(2.0%)	164	(81.3%)	(2.1%)	169	(81.7%)
MAR		238		233		6	2.5%		243		(4)	(1.7%)	4.1%	7.0%	(294)	(41.7%)	13.5%	(944)	(69.7%)
FENERGIC INC		176		155		21	13.7%		152		25	16.2%	0.2%	(1.0%)	116	(117.2%)	6.5%	(631)	(97.4%)
FMC		154		149		5	3.6%		369		(215)	(58.2%)	151.4%	163.9%	(1,254)	(7.6%)	5.9%	14,551	2466.0%
Other		5,235		5,654		(419)	(7.4%)		4,280		955	22.3%	36.5%	196.4%	(15,992)	(81.4%)	1.4%	3,512	2534.8%
Total Gross	\$	24,845	\$	24,981	\$	(136)	(0.5%)	\$	20,539	\$	4,305	21.0%	10.0%	10.4%	(39)	(3.8%)	4.3%	569	131.0%

ECS Summary P&L

\$'000	MTD		Var		YTD		Var	
	Act	Bud	\$	%	Act	Bud	\$	%
Units Produced ('000)	8,180	6,851	1,330	19.4%	8,180	6,851	1,330	19.4%
Units Shipped ('000)	8,312	6,851	1,461	21.3%	8,312	6,851	1,461	21.3%
Bookings (\$'000)	\$ 849	\$ 460	\$ 389	84.7%	\$ 849	\$ 460	\$ 389	84.7%
Backlog (\$'000)	\$ 313	\$ 83	\$ 230	279.2%	\$ 313	\$ 83	\$ 230	279.2%
<i>External Revenue</i>	\$ 921	\$ 581	\$ 340	58.5%	\$ 921	\$ 581	\$ 340	58.5%
<i>Affiliate Revenue</i>	\$ 5,028	\$ 4,241	\$ 787	18.5%	\$ 5,028	\$ 4,241	\$ 787	18.5%
Gross Revenue	\$ 5,949	\$ 4,822	\$ 1,127	23.4%	\$ 5,949	\$ 4,822	\$ 1,127	23.4%
Adj. to Gross Revenue	(0)	–	(0)	N/A	(0)	–	(0)	N/A
Net Revenue	5,949	4,822	1,126	23.4%	5,949	4,822	1,126	23.4%
Material	4,885	3,978	907	22.8%	4,885	3,978	907	22.8%
Labor	150	166	(16)	(9.8%)	150	166	(16)	(9.8%)
Other COGS	479	490	(10)	(2.1%)	479	490	(10)	(2.1%)
Total COGS	5,514	4,633	880	19.0%	5,514	4,633	880	19.0%
Gross Margin	435	189	246	130.3%	435	189	246	130.3%
Gross Margin %	7.3%	3.9%			7.3%	3.9%		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	20	26	(6)	(24.5%)	20	26	(6)	(24.5%)
Administrative	145	152	(7)	(4.5%)	145	152	(7)	(4.5%)
Other Opex	54	–	54	N/A	54	–	54	N/A
Total Opex	219	178	41	22.9%	219	178	41	22.9%
EBITDA	216	11	205	1933.2%	216	11	205	1933.2%
EBITDA %	3.6%	0.2%			3.6%	0.2%		
Net Income (Loss)	\$ 158	\$ (49)	\$ 207	(422.1%)	\$ 158	\$ (49)	\$ 207	(422.1%)
Capex	\$ –	\$ (65)	\$ 65	(100.0%)	\$ –	\$ (65)	\$ 65	(100.0%)
Opex Overview:								
Payroll	\$ 44	\$ 48	\$ (5)	(9.4%)	\$ 44	\$ 48	\$ (5)	(9.4%)
Bonus	–	–	–	N/A	–	–	–	N/A
Commissions	7	3	5	184.5%	7	3	5	184.5%
Marketing	–	–	–	N/A	–	–	–	N/A
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	1	1	0	5.0%	1	1	0	5.0%
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	6	8	(2)	(25.7%)	6	8	(2)	(25.7%)
Professional fees	0	–	0	N/A	0	–	0	N/A
Utilities, repair, maintenance, and	1	1	0	46.7%	1	1	0	46.7%
Corporate OH Fees	105	104	1	0.8%	105	104	1	0.8%
Bad Debts	–	–	–	N/A	–	–	–	N/A
FX	54	–	54	N/A	54	–	54	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	1	14	(13)	(93.8%)	1	14	(13)	(93.8%)
Total Opex	\$ 219	\$ 178	\$ 41	22.9%	\$ 219	\$ 178	\$ 41	22.9%

Management Discussion

Net Revenue – Jan-20: +\$1,126K

- Sales volume up 21.3% or \$1,029k driven by increased demand from affiliate customers 16.6% or \$750k (Everett +25.5% or 251k lbs; Delmont +9.8% or 158k lbs; and Woodbridge +26.4% or 601k lbs); and increased external customers demand 59.3% or \$280k (increases from Delcan, Nuform, Vinyl Profiles and Fence Outlet)
- Favorable price/mix of \$51K primarily driven by scrap sales and product mix to Everett.
- Favorable F/X of \$47k (actual rate of 1.3087 [or \$USD 0.7641] vs. 1.33 [or \$USD 0.7519])

EBITDA – Jan-20: +\$205K

- Material COGS:** Increase in costs by \$907k due to increased sales volume \$849k, product mix \$91k and unfavorable FX \$65k; offset by lower resin prices \$30k, additive prices \$14k and Galata Rebate \$54k
- Labor COGS:** Decrease in cost by \$16k driven by vacation utilization during plant shutdown.
- Other COGS:** Decrease in cost by \$10k primarily driven by lower utilities \$35k (global rate adj) and favorable freight expenses \$1k (increased volume -\$24k; offset by lower rates CP vs CN & Pentagon to Delmont +\$25k); offset by repairs to the trackmobile \$22k
- Sales and Marketing:** Decreased in cost by \$6k driven by lower R&D consultant fees
- Administrative:** Decrease in cost by \$7k driven by vacation utilization.
- Other Opex:** Increase in cost by \$54k driven by unfavorable F/X revaluation of working capital balances

Key Customers – Gross Sales and Gross Margin %: ECS

	Gross Sales (\$'000)															Gross Margin %																						
	MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var		MTD		Var		PY-MTD		Var		YTD		Var		PY-YTD		Var							
	Act	Bud	\$	%	Act	\$	%	Act	Bud	\$	%	Act	\$	%	Act	\$	%	Act	Bud	BP	%	Act	BP	%	Act	Bud	BP	%	Act	BP	%							
Customer:																																						
Vinyl Profiles, LLC	\$	287	\$	219	\$	68	31.2%	\$	226	\$	61	27.0%	\$	287	\$	219	\$	68	31.2%	\$	226	\$	61	27.0%	18.1%	9.9%	823	83.2%	23.5%	(533)	(22.7%)	38.5%	32.9%	557	16.9%	42.2%	(364)	(8.6%)
Nuform Building Technologies Inc		135		66		69	105.7%		68		67	98.5%		135		66		69	105.7%		68		67	98.5%	26.7%	14.1%	1,258	89.3%	25.0%	167	6.7%	12.5%	4.2%	832	196.8%	14.2%	(167)	(11.7%)
The Vinyl Company Inc.		88		86		2	2.1%		97		(9)	(9.3%)		88		86		2	2.1%		97		(9)	(9.3%)	11.4%	12.6%	(127)	(10.1%)	21.6%	(1,029)	(47.5%)	11.4%	12.6%	(127)	(10.1%)	19.4%	(803)	(41.4%)
Vinylume Products Inc		65		66		(1)	(1.8%)		68		(3)	(4.4%)		65		66		(1)	(1.8%)		68		(3)	(4.4%)	21.5%	12.8%	877	68.7%	30.9%	(934)	(30.3%)	21.5%	12.8%	877	68.7%	27.7%	(618)	(22.3%)
Accord Plastics Corp.		48		50		(2)	(4.0%)		52		(4)	(7.7%)		48		50		(2)	(4.0%)		52		(4)	(7.7%)	18.8%	7.5%	1,120	148.4%	19.2%	(48)	(2.5%)	18.8%	7.5%	1,120	148.4%	17.9%	89	5.0%
Window Seal Limited		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	#VALUE!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	0.0%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
New Customers (L.B. Plastics)		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	#VALUE!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	0.0%	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Prasad Plastics Limited		16		–		16	N/A		–		16	N/A		16		–		16	N/A		–		16	N/A	18.8%	#VALUE!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	23.1%	#DIV/0!	–	#DIV/0!	0.0%	2,308	N/A
Superior Extrusions Ltd		12		–		12	N/A		–		12	N/A		12		–		12	N/A		–		12	N/A	33.3%	#VALUE!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Vytron Corporation		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	#VALUE!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	0.0%	0.0%	–	N/A	0.0%	-	N/A
Plastibec Ltee		5		3		2	78.5%		3		2	66.7%		5		3		2	78.5%		3		2	66.7%	60.0%	38.8%	2,120	54.6%	66.7%	(667)	(10.0%)	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Vinyl Profiles (2011)		13		–		13	N/A		–		13	N/A		13		–		13	N/A		–		13	N/A	23.1%	#VALUE!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Fence Outlet MDC, LLC		103		44		59	131.7%		–		103	N/A		103		44		59	131.7%		–		103	N/A	22.3%	(8.0%)	3,031	(379.9%)	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
INFINITY EXTRUSIONS INC.		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	#VALUE!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	0.0%	0.0%	–	N/A	0.0%	-	N/A
Resin Technology, LLC		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	#VALUE!	–	#VALUE!	#DIV/0!	NA	#DIV/0!	#DIV/0!	#DIV/0!	–	#DIV/0!	0.0%	NA	N/A
Delcan Manufacturing Ltd		146		47		99	208.0%		–		146	N/A		146		47		99	208.0%		–		146	N/A	15.1%	58.6%	(4,358)	(74.3%)	0.0%	1,507	N/A	15.1%	13.2%	186	14.1%	#DIV/0!	NA	#DIV/0!
Mor-X Plastics		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#VALUE!	0.0%	–	N/A	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!	0.0%	–	N/A	0.0%	NA	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	0.0%	–	N/A	0.0%	NA	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
		–		–		-	N/A		–		-	N/A		–		–		-	N/A		–		-	N/A	#DIV/0!	0.0%	–	N/A	0.0%	NA	N/A	#DIV/0!	#DIV/0!	–	#DIV/0!	#DIV/0!	NA	#DIV/0!
Other		5,318		4,460		858	19.2%		4,945		373	7.5%		5,318		4,460		858	19.2%		4,945		373	7.5%	4.8%	2.9%	187	63.8%	2.7%	216	81.6%	4.8%	2.9%	187	63.8%	0.5%	428	805.3%
Total Gross	\$	5,949	\$	4,822	\$	1,127	23.4%	\$	5,459	\$	490	9.0%	\$	5,949	\$	4,822	\$	1,127	23.4%	\$	5,459	\$	490	9.0%	7.3%	3.9%	340	86.7%	4.7%	264	56.5%	7.3%	3.9%	340	86.7%	2.8%	452	162.3%

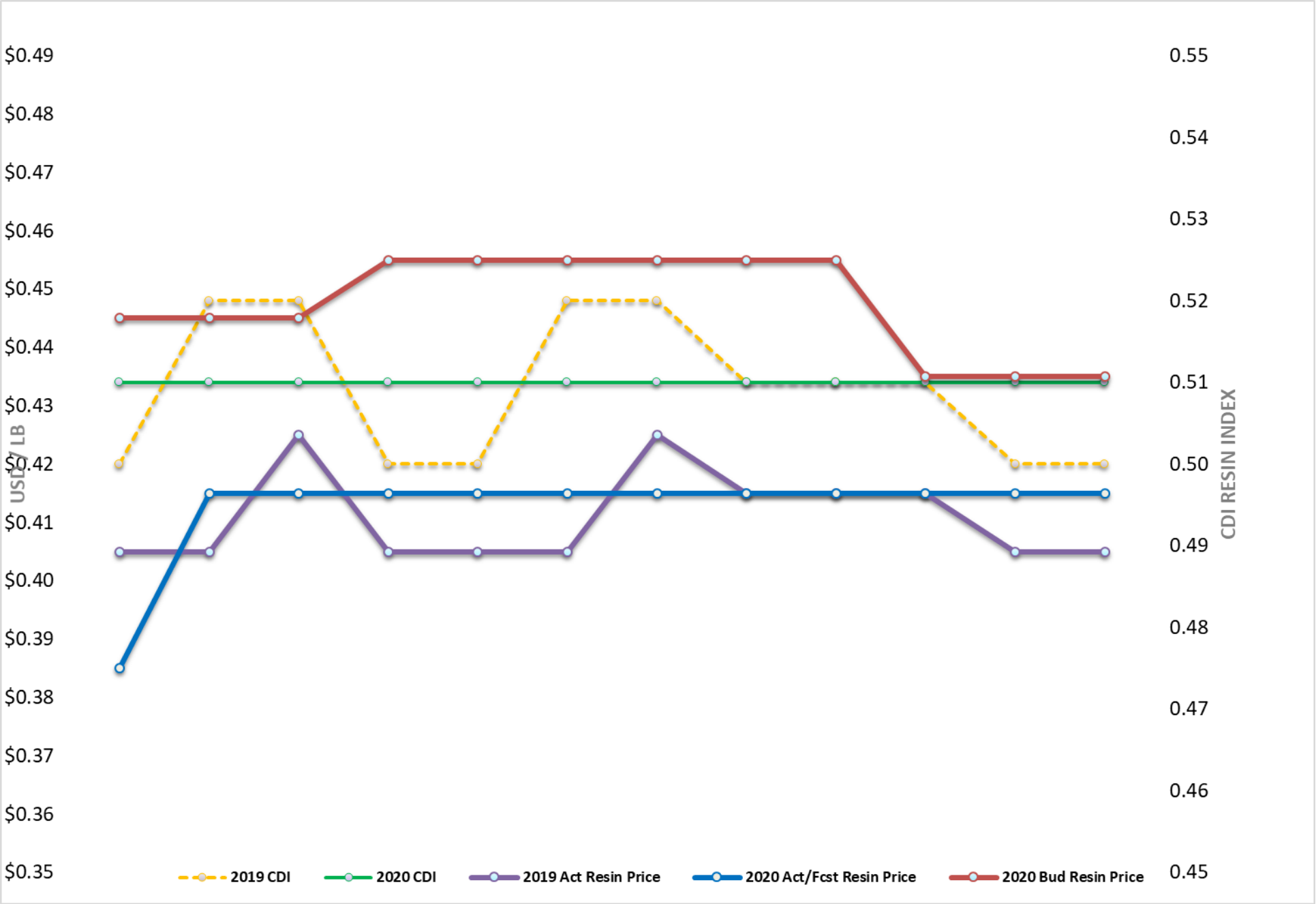
Management Discussion

- Vinyl Profiles – Improved buying in 2020 after a slower 2019.
- Nuform purchases better vs budget and PY
- New customers Fence outlet and Delcan also increased purchases at the start of the new year

ECS Material Cost Summary

US \$'000	Jan-20 Act	Jan-20 AOP	Jan-20 Actual-AOP
<u>Sales</u>			
Total Sales - Non-Patio & Doors - S'000	\$ 5,949	\$ 4,822	\$ 1,126
Total Sales - Non-Patio & Doors - Lbs	8,312	6,851	1,461
<u>Materials - ASP</u>			
ADDITIVE	3.5384	3.6884	\$ (0.1500)
ADDITIVE (IMPACT MODIFIER)	1.4343	1.5225	\$ (0.0881)
ADDITIVE (PROCESSING AID)	1.4125	1.5565	\$ (0.1440)
FILLER	0.2127	0.2201	\$ (0.0074)
LUBRICANT	0.9194	0.9292	\$ (0.0098)
PIGMENT - C		2.9529	\$ (2.9529)
PIGMENT - G	2.8499	2.7900	\$ 0.0599
PIGMENT - HC	5.8537	5.8923	\$ (0.0386)
PIGMENT - PC	5.5906	7.2745	\$ (1.6839)
PKG		7.9177	\$ (7.9177)
PLASTICIZER	0.8086	0.8755	\$ (0.0670)
RESIN	0.3852	0.4100	\$ (0.0248)
STABILIZER	3.1442	3.4121	\$ (0.2680)
TIO2	1.3897	1.3900	\$ (0.0003)
Material Other	-		\$ -
<u>Materials - \$'000</u>			
ADDITIVE	\$ 156	\$ 105	\$ 52
ADDITIVE (IMPACT MODIFIER)	\$ 445	\$ 381	\$ 63
ADDITIVE (PROCESSING AID)	\$ 75	\$ 67	\$ 8
FILLER	\$ 108	\$ 88	\$ 20
LUBRICANT	\$ 167	\$ 142	\$ 25
PIGMENT - C	\$ -	\$ -	\$ -
PIGMENT - G	\$ 48	\$ 64	\$ (16)
PIGMENT - HC	\$ 75	\$ 46	\$ 29
PIGMENT - PC	\$ 17	\$ 9	\$ 8
PKG	\$ -		\$ -
PLASTICIZER	\$ 35	\$ 22	\$ 13
RESIN	\$ 2,469	\$ 2,190	\$ 278
STABILIZER	\$ 326	\$ 281	\$ 45
TIO2	\$ 863	\$ 691	\$ 172
Scrap	\$ 28	\$ 24	\$ 4
BOM Scrap (not in P&L and 2020 AOP)			\$ -
PIP Savings	\$ (7)		\$ (7)
Kronos Rebates (\$0.01)	\$ (5)	\$ (5)	\$ 0
Resin Rebate & Discount	\$ (91)	\$ (71)	\$ (21)
Amortization Timing	\$ 235	\$ (105)	\$ 340
Packaging	\$ 8	\$ 37	\$ (29)
Material Other	\$ (71)	\$ 11	\$ (82)
Total Material Costs	\$ 4,880	\$ 3,978	\$ 902

Historical Resin Price Chart



Key Performance Indicators - ECS

ENERGI Compound Solutions	2020 Targets	Jan-20
Health & Safety		
<i>Recordable(effects TRIR)</i>	0	0
<i>Near Misses</i>	2	0
Environmental		
<i>Recordable(effects TRIR)</i>	0	0
<i>Near Misses</i>	2	0
Quality Performance		
<i>Concerns per million Good Lbs</i>	0.3	0.1
<i>Return as % of sales (%)</i>	0.3%	0.0%
Delivery Performance		
<i>% on time</i>	100%	100%
Material Cost		
<i>Yield</i>	100%	99%
<i>Production Scrap</i>	1.00%	0.5%
<i>Total Material Usage Variance</i>	2.00%	1.8%
<i>Direct Labour \$/lb produced</i>	0.009	0.007
<i>Indirect Labour (incl D&D) \$/lb produced</i>	0.014	0.017
Inventory		
<i>Days - TTM (Trailing 12 Months)</i>	41	39
Freight		
<i>Freight \$ as % of net sales</i>	3.9%	3.2%

COMMENTS:

Labour: In line against monthly target

Full Year ECS P&L Summary

\$'000		FY		Var		PY		Var	
		Fcst	Bud	\$	%	Act	\$		%
Units Produced ('000)		97,689	96,359	1,330	1.4%	94,835	2,855		3.0%
Units Shipped ('000)		97,821	96,359	1,461	1.5%	94,874	2,947		3.1%
Bookings (\$'000)		\$ 7,806	\$ 7,417	\$ 389	5.2%	\$ 8,361	\$ (555)		(6.6%)
Backlog ('\$000)		\$ 122	\$ 122	\$ –	0.0%	\$ 370	\$ (248)		(67.0%)
Gross Revenue	External Revenue	\$ 8,623	\$ –	\$ 8,623	N/A	\$ 8,282	\$ 341		4.1%
	Affiliate Revenue	\$ 60,547	\$ –	\$ 60,547	N/A	\$ 59,476	\$ 1,071		1.8%
		\$ 69,170	\$ 68,044	\$ 1,127	1.7%	\$ 67,758	\$ 1,412		2.1%
Adj. to Gross Revenue		(0)	–	(0)	N/A	1	(1)		(118.2%)
Net Revenue		69,170	68,044	1,126	1.7%	67,759	1,411		2.1%
Material		58,664	57,758	907	1.6%	53,610	5,054		9.4%
Labor		1,924	1,940	(16)	(0.8%)	1,766	158		8.9%
Other COGS		6,198	6,208	(10)	(0.2%)	5,475	724		13.2%
Total COGS		66,786	65,906	880	1.3%	60,851	5,936		9.8%
Gross Margin		2,384	2,138	246	11.5%	6,909	(4,525)		(65.5%)
Gross Margin %		3.4%	3.1%			10.2%			
R&D		–	–	–	N/A	–	–		N/A
Sales & Marketing		297	303	(6)	(2.1%)	154	142		92.3%
Administrative		1,798	1,805	(7)	(0.4%)	1,747	51		2.9%
Other Opex		54	–	54	N/A	(242)	296		(122.3%)
Total Opex		2,149	2,108	41	1.9%	1,658	490		29.6%
EBITDA		235	30	205	687.4%	5,250	(5,015)		(95.5%)
EBITDA %		0.3%	0.0%			7.7%			
Net Income (Loss)		\$ (527)	\$ (734)	\$ 207	(28.2%)	\$ 4,567	\$ (5,094)		(111.5%)
Capex		\$ (237)	\$ (601)	\$ 364	(60.6%)	\$ (347)	\$ 110		(31.7%)
Opex Overview:									
Payroll		\$ 540	\$ 544	\$ (5)	(0.8%)	\$ 546	\$ (7)		(1.2%)
Bonus		–	–	–	N/A	–	–		N/A
Commissions		37	32	5	15.0%	4	33		799.1%
Marketing		1	1	–	0.0%	–	1		N/A
Benefits		–	–	–	N/A	–	–		N/A
Travel and entertainment		30	29	0	0.1%	16	13		79.8%
Rent and facilities		–	–	–	N/A	–	–		N/A
Insurance		87	89	(2)	(2.4%)	69	18		26.8%
Professional fees		1	1	0	18.9%	2	(0)		(14.5%)
Utilities, repair, maintenance, and security		15	14	0	2.6%	12	3		24.9%
Corporate OH Fees		1,252	1,251	1	0.1%	1,246	6		0.5%
Bad Debts		–	–	–	N/A	3	(3)		(100.0%)
FX		54	–	54	N/A	(242)	296		(122.3%)
JV Loss (Income)		–	–	–	N/A	–	–		N/A
Other Expenses		133	146	(13)	(8.8%)	6	128		2292.3%
Total Opex		\$ 2,149	\$ 2,108	\$ 41	1.9%	\$ 1,661	\$ 487		29.3%

Key Customers – Full Year ECS

	Gross Sales (\$'000)									Gross Margin %									
	FY		FY		Var		PY		Var		FY	FY		Var		PY	Var		
	Fcst	Bud	\$	%	Act	\$	%	Fcst	Bud	BPs	%	Act	BPs	%					
Customer:																			
Vinyl Profiles, LLC	\$	2,816	\$	2,748	\$	68	2.5%	\$	2,756	\$	60	2.2%	17.8%	16.5%	133	8.1%	20.0%	(219)	(10.9%)
Nuform Building Technologies Inc		1,557		1,488		69	4.7%		1,838		(281)	(15.3%)	8.3%	7.4%	86	11.7%	27.3%	(1,900)	(69.7%)
The Vinyl Company Inc.		1,299		1,297		2	0.1%		1,399		(100)	(7.2%)	11.7%	11.8%	(10)	(0.8%)	14.5%	(275)	(19.0%)
Vinylume Products Inc		582		583		(1)	(0.2%)		642		(60)	(9.4%)	13.2%	12.1%	104	8.5%	24.1%	(1,097)	(45.4%)
Accord Plastics Corp.		613		615		(2)	(0.3%)		591		22	3.7%	7.7%	6.7%	98	14.5%	18.2%	(1,052)	(57.7%)
Window Seal Limited		59		59		-	0.0%		102		(43)	(42.0%)	7.3%	9.7%	(245)	(25.1%)	14.7%	(741)	(50.4%)
New Customers (L.B. Plastics)		–		–		-	N/A		–		-	N/A	0.0%	0.0%	–	N/A	#DIV/0!	NA	#DIV/0!
Prasad Plastics Limited		30		14		16	113.1%		55		(25)	(45.2%)	6.2%	2.9%	331	114.2%	18.2%	(1,197)	(65.8%)
Superior Extrusions Ltd		53		41		12	29.4%		44		9	19.9%	#DIV/0!	#DIV/0! –		#DIV/0!	27.3%	NA	#VALUE!
Vytron Corporation		15		15		-	0.0%		33		(18)	(54.1%)	1.7%	1.9%	(22)	(11.1%)	32.8%	(3,110)	(94.8%)
Plastibec Ltee		10		8		2	27.0%		6		4	72.3%	11.8%	7.3%	448	61.0%	66.7%	(5,484)	(82.3%)
Vinyl Profiles (2011)		89		76		13	17.2%		94		(5)	(5.8%)	20.6%	15.5%	507	32.6%	24.5%	(387)	(15.8%)
Fence Outlet MDC, LLC		592		533		59	11.0%		90		502	554.4%	(100.1%)	(274.2%)	17,409	(63.5%)	11.1%	(11,117)	(1005.5%)
INFINITY EXTRUSIONS INC.		43		43		-	0.0%		125		(82)	(65.8%)	26.7%	34.0%	(723)	(21.3%)	15.2%	1,155	76.0%
Resin Technology, LLC		174		174		-	0.0%		442		(267)	(60.5%)	0.0%	0.0%	–	N/A	38.9%	(3,892)	(100.0%)
Delcan Manufacturing Ltd		667		569		99	17.3%		31		636	2034.0%	13.0%	12.4%	59	4.7%	0.0%	1,301	N/A
Mor-X Plastics		20		20		-	0.0%		–		20	N/A	18.9%	18.9%	–	0.0%	0.0%	1,886	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		63,366		62,508		858	1.4%		59,510		3,857	6.5%	2.4%	2.2%	19	8.6%	8.6%	(620)	(72.2%)
Total Gross	\$	69,170	\$	68,044	\$	1,127	1.7%	\$	67,758	\$	1,412	2.1%	3.5%	3.2%	34	10.7%	10.2%	(665)	(65.2%)

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	\$ –	\$ –	\$ –	N/A	\$ –	\$ –	\$ –	N/A
Adj. to Gross Revenue	–	–	–	N/A	–	–	–	N/A
Net Revenue	–	–	–	N/A	–	–	–	N/A
Material	112	55	58	105.2%	112	55	58	105.2%
Labor	57	56	1	1.3%	57	56	1	1.3%
Other COGS	93	21	72	351.6%	93	21	72	351.6%
Total COGS	262	131	131	99.5%	262	131	131	99.5%
Gross Margin	(262)	(131)	(131)	99.5%	(262)	(131)	(131)	99.5%
Gross Margin %		N/A				N/A		
R&D	–	–	–	N/A	–	–	–	N/A
Sales & Marketing	262	294	(32)	(10.9%)	262	294	(32)	(10.9%)
Administrative	(458)	(467)	9	(2.0%)	(458)	(467)	9	(2.0%)
Other Opex	13	–	13	N/A	13	–	13	N/A
Total Opex	(183)	(173)	(10)	5.7%	(183)	(173)	(10)	5.7%
EBITDA	(79)	42	(121)	(288.9%)	(79)	42	(121)	(288.9%)
EBITDA %		N/A				N/A		
Net Income (Loss)	\$ (558)	\$ (486)	\$ (71)	14.7%	\$ (558)	\$ (486)	\$ (71)	14.7%
Capex	\$ –	\$ (52)	\$ 52	(100.0%)	\$ –	\$ (52)	\$ 52	(100.0%)
Opex Overview:								
Payroll	\$ 404	\$ 445	\$ (40)	(9.1%)	\$ 404	\$ 445	\$ (40)	(9.1%)
Bonus	62	62	1	1.2%	62	62	1	1.2%
Commissions	22	21	0	1.4%	22	21	0	1.4%
Marketing	6	14	(7)	(52.6%)	6	14	(7)	(52.6%)
Benefits	–	–	–	N/A	–	–	–	N/A
Travel and entertainment	64	84	(20)	(23.9%)	64	84	(20)	(23.9%)
Rent and facilities	–	–	–	N/A	–	–	–	N/A
Insurance	–	–	–	N/A	–	–	–	N/A
Professional fees	31	37	(6)	(16.0%)	31	37	(6)	(16.0%)
Office Expense	6	4	3	79.7%	6	4	3	79.7%
IT	132	132	(0)	(0.0%)	132	132	(0)	(0.0%)
Bad Debts	31	–	31	N/A	31	–	31	N/A
FX	13	–	13	N/A	13	–	13	N/A
JV Loss (Income)	–	–	–	N/A	–	–	–	N/A
Other Expenses	(954)	(971)	16	(1.7%)	(954)	(971)	16	(1.7%)
Total Opex	\$ (183)	\$ (173)	\$ (10)	5.7%	\$ (183)	\$ (173)	\$ (10)	5.7%

Management Discussion

EBITDA – January 2020: -\$121K

- **Material COGS:** Intercompany profit elimination higher than budget
- **Labor COGS:** In line
- **Other COGS:** Freight Savings budgeted (\$72K), captured by plants
- **Sales & Marketing:** lower by \$32K largely due to lower Wages and commissions \$29K due to budgeted US sales staff which will start in February 2020 which also impacted Travel and Entertainment which are lower by \$22K and lower marketing expenses (Advertising) by \$7K due to timing. Offset by Bad Debt Top up of \$31K
- **Administrative:** higher by \$9K due to BofA review fees of \$28K. Offset by lower Wages by \$10K and a favorable FX impact on Corporate OH Recovery of \$11K
- **Other Opex:** represents FX Loss on CAD/US Cash Transactions
- **Capex:** Expenditure on IT projects postponed

Full Year Corporate Office P&L Summary

FY		Var		PY		Var	
Fsct	Bud	\$	%	Act	\$	\$	%
–	–	–	N/A	–	–	–	N/A
–	–	–	N/A	–	–	–	N/A
\$ –	\$ –	\$ –	N/A	\$ –	\$ –	\$ –	N/A
\$ –	\$ –	\$ –	N/A	\$ –	\$ –	\$ –	N/A
\$ –	\$ –	\$ –	N/A	\$ –	\$ –	\$ –	N/A
–	–	–	N/A	0	(0)	(100.0%)	
–	–	–	N/A	0	(0)	(100.0%)	
58	0	58	19240.2%	70	(12)	(17.3%)	
(509)	(510)	1	(0.1%)	559	(1,068)	(191.1%)	
223	151	72	48.0%	1,191	(968)	(81.3%)	
(228)	(359)	131	(36.4%)	1,820	(2,048)	(112.5%)	
228	359	(131)	(36.4%)	(1,820)	2,048	(112.5%)	
N/A	N/A			#####			
–	–	–	N/A	–	–	N/A	
3,575	3,607	(32)	(0.9%)	3,685	(110)	(3.0%)	
(5,682)	(5,691)	9	(0.2%)	(5,591)	(91)	1.6%	
13	–	13	N/A	35	(22)	(63.6%)	
(2,095)	(2,085)	(10)	0.5%	(1,871)	(223)	11.9%	
2,323	2,444	(121)	(4.9%)	51	2,272	4441.0%	
N/A	N/A			#####			
\$ (4,060)	\$ (3,989)	\$ (71)	1.8%	\$ (5,181)	\$ 1,121	(21.6%)	
\$ (32)	\$ (2,706)	\$ 2,674	(98.8%)	\$ (41)	\$ 9	(22.0%)	
\$ 5,013	\$ 5,053	\$ (40)	(0.8%)	\$ 5,128	\$ (116)	(2.3%)	
741	740	1	0.1%	616	124	20.2%	
242	241	0	0.1%	243	(1)	(0.6%)	
370	377	(7)	(1.9%)	535	(165)	(30.9%)	
–	–	–	N/A	–	–	N/A	
1,024	1,044	(20)	(1.9%)	969	55	5.7%	
–	–	–	N/A	–	–	N/A	
–	–	–	N/A	2	(2)	(100.0%)	
433	439	(6)	(1.3%)	462	(29)	(6.3%)	
49	46	3	6.2%	44	5	12.0%	
1,604	1,604	(0)	(0.0%)	1,587	17	1.1%	
31	–	31	N/A	176	(145)	(82.6%)	
13	–	13	N/A	35	(22)	(63.6%)	
–	–	–	N/A	–	–	N/A	
(11,614)	(11,630)	16	(0.1%)	(11,667)	54	(0.5%)	
\$ (2,095)	\$ (2,085)	\$ (10)	0.5%	\$ (1,869)	\$ (225)	12.1%	

Plant Capacity Utilization

ENERGI Capacity Utilization: 2020												
ENERGI Everett Monthly Capacity Utilization												
*based on current plant speed and product mix	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Good lbs Produced(L)(lbs	1,190,137	-	-	-	-	-	-	-	-	-	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	49%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
ENERGI Delmont Monthly Capacity Utilization												
*based on current plant speed and product mix	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Good lbs Produced(L)(lbs	1,758,218	-	-	-	-	-	-	-	-	-	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	56%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
ENERGI Woodbridge Monthly Capacity Utilization												
*based on current plant speed and product mix	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Good lbs Produced(L)(lbs	2,700,166	-	-	-	-	-	-	-	-	-	-	-
Monthly capacity utilization(L/K)%(No seasonal adjustment)	52%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
ENERGI Laval Capacity Utilization												
*based on current plant speed and product mix	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Good lbs Produced(L)(lbs	1,248,042	-	-	-	-	-	-	-	-	-	-	-
Monthly capacity utilization(L/K)%	34%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
ECS Capacity utilization												
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Total available capacity lbs/month (A)*	19,841,580											
Actual Good Lbs produced(B)	8,180,256	-	-	-	-	-	-	-	-	-	-	-
Monthly Capacity utilization %(B/A)%	41%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Terrebonne Capacity Utilization												
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Available Shift Capacity(based on Two 10Hr shifts)(\$)(000)	\$6,000											
Actual Finished Production Value (000)(\$CAD)	\$ 1,448	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity utilization based on NO seasonal adjustment and two 10hr shifts	24%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%