

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 29, 2025

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-38000

JELD-WEN Holding, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

93-1273278
(I.R.S. Employer
Identification No.)

2645 Silver Crescent Drive
Charlotte, North Carolina 28273
(Address of principal executive offices, zip code)
(704) 378-5700
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock (par value \$0.01 per share)	JELD	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The registrant had 85,298,995 shares of Common Stock, par value \$0.01 per share, outstanding as of May 2, 2025.

JELD-WEN HOLDING, Inc.
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Glossary of Terms

When the following terms and abbreviations appear in the text of this report, they have the meanings indicated below:

Form 10-K	Annual Report on Form 10-K for the fiscal year ended December 31, 2024
Form 10-Q	This Quarterly Report on Form 10-Q for the fiscal quarter ended March 29, 2025
ABL Facility	Our \$500 million asset-based loan revolving credit facility, dated as of October 15, 2014, and as amended from time to time, with JWI (as hereinafter defined) and JELD-WEN of Canada, Ltd., as borrowers, the guarantors party thereto, a syndicate of lenders, and Wells Fargo Bank, N.A., as administrative agent
ABS	JWI d/b/a American Building Supply, Inc.
Adjusted EBITDA	A supplemental non-GAAP financial measure of operating performance not based on a standardized methodology prescribed by GAAP that we define as Adjusted EBITDA as income (loss), net of tax, adjusted for the following items: income tax expense (benefit); depreciation and amortization; interest expense (income), net; and certain special items consisting of non-recurring net legal and professional expenses and settlements; goodwill impairment; restructuring and asset-related charges; M&A related costs; net (gain) loss on sale of business, property and equipment; loss on extinguishment and refinancing of debt; share-based compensation expense; non-cash foreign exchange transaction/translation (gain) loss; and other special items.
AOCL	Accumulated Other Comprehensive Loss
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
CAP	Cleanup Action Plan
CARES Act	Coronavirus Aid, Relief, and Economic Security Act enacted on March 27, 2020
CDOR	Canadian Dealer Offered Rate
CEO	Chief Executive Officer or principal executive officer
CFO	Chief Financial Officer or principal financial officer
Charter	Amended and Restated Certificate of Incorporation of JELD-WEN Holding, Inc.
CME	Chicago Mercantile Exchange
CMI	JWI d/b/a CraftMaster Manufacturing, Inc.
COA	Consent Order and Agreement
CODM	Chief Operating Decision Maker, who is our Chief Executive Officer
Common Stock	The 900,000,000 shares of common stock, par value \$0.01 per share, authorized under our Charter
Core Revenues	Net revenues excluding the impact of foreign exchange, divestitures, and acquisitions completed in the last twelve months
Corporate Credit Facilities	Collectively, our ABL Facility and our Term Loan Facility
CORRA	Canadian Overnight Repo Rate Average
COVID-19	A novel strain of the 2019-nCov coronavirus
Credit Facilities	Collectively, our Corporate Credit Facilities and other acquired term loans and revolving credit facilities
DKK	Danish Kroner
Domoferm	The Domoferm Group of companies
Dooria	Dooria AS
ERC	Employee Retention Credit
ERP	Enterprise Resource Planning
EU	European Union
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
GAAP	Generally Accepted Accounting Principles in the United States
GDP	Gross Domestic Product
JELD-WEN	JELD-WEN Holding, Inc., together with its consolidated subsidiaries where the context requires
JW Australia	Our Australasia business
JWI	JELD-WEN, Inc., a Delaware corporation

Karona	Karona, Inc.
LaCantina	JWI d/b/a LaCantina Doors, Inc.
LIBOR	London Interbank Offered Rate
M&A	Mergers and acquisitions
Mattiovi	Mattiovi Oy
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
MMI Door	JWI d/b/a Milliken Millwork, Inc.
NOL	Net operating loss
OECD	Organization for Economic Cooperation and Development
Onex	Onex Partners III LP and certain affiliates
PaDEP	Pennsylvania Department of Environmental Protection
Pillar Two	The Pillar Two Global Anti-Base Erosion rules
PLP	Potential Liability Party
Preferred Stock	90,000,000 shares of Preferred Stock, par value \$0.01 per share, authorized under our Charter
PSU	Performance Stock Unit
R&R	Repair and Remodel
RSU	Restricted Stock Unit
SEC	U.S. Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended
Senior Notes	\$800.0 million of unsecured notes issued in December 2017 in a private placement in two tranches: \$400.0 million bearing interest at 4.63% and maturing in December 2025 (\$200.0 million of which were redeemed in August 2023 and the remaining \$200.0 million of which were redeemed in September 2024) and \$400.0 million bearing interest at 4.88% and maturing in December 2027. \$350.0 million of senior unsecured notes issued in August 2024 in a private placement bearing interest at 7.00% and maturing in September 2032
Senior Secured Notes	\$250.0 million of senior secured notes issued in May 2020 in a private placement bearing interest at 6.25% and redeemed in August 2023
SG&A	Selling, general and administrative expenses
SOFR	Secured Overnight Financing Rate
Steves	Steves and Sons, Inc.
Term Loan Facility	Our term loan facility, dated as of October 15, 2014, and as amended from time to time with JWI, as borrower, the guarantors party thereto, a syndicate of lenders, and Bank of America, N.A., as administrative agent
Towanda	The Company's Towanda, PA business and related assets
U.S.	United States of America
UTP	Uncertain Tax Position
VPI	JWI d/b/a VPI Quality Windows, Inc.
WADOE	Washington State Department of Ecology
Working Capital	Accounts receivable plus inventory less accounts payable

CERTAIN TRADEMARKS, TRADE NAMES, AND SERVICE MARKS

This report includes trademarks, trade names, and service marks owned by us. Our U.S. window and door trademarks include JELD-WEN[®], AuraLast[®], LaCANTINA[®], MMI Door[®], Karona[®], ImpactGard[®], JW[®], True BLU[®], ABS[™], Sitaline[®], National Door[®], Low-Friction Glider[®], Hydrolock[®], VPI[™], FINISHIELD[®], MILLENNIUM[®], TRUFIT[®], EPICVUE[®], and EVELIN[®]. Our trademarks are either registered or have been used as common law trademarks by us. The trademarks we use outside the U.S. include the Swedoor[®], Dooria[®], DANA[®], Mattiovi[™], Zargag[®], Alupan[®], Domoferm[®], Kellpax[®], and HSE[™] marks in Europe. ENERGY STAR[®] is a registered trademark of the U.S. Environmental Protection Agency. This report contains additional trademarks, trade names, and service marks of others, which are, to our knowledge, the property of their respective owners. Solely for convenience, trademarks, trade names, and service marks referred to in this report appear without the [®], [™] symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, trade names, and service marks. We do not intend our use of other parties' trademarks, trade names, or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by these other parties.

FORWARD-LOOKING STATEMENTS

In addition to historical information, this Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the federal Securities Act and Section 21E of the Exchange Act, which are subject to the “safe harbor” created by those sections. All statements, other than statements of historical facts, included in this Form 10-Q are forward-looking statements. Forward-looking statements are generally identified by our use of forward-looking terminology, including the terms “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “potential,” “predict,” “seek,” or “should,” and, in each case, their negative or other various or comparable terminology. In particular, statements about the markets in which we operate, including growth of our various markets, and our expectations, beliefs, plans, strategies, objectives, prospects, assumptions, or future events or performance under Item 7 – *Management’s Discussion and Analysis of Financial Condition and Results of Operations* and Item 1 – *Business* are forward-looking statements. In addition, statements regarding the potential outcome and impact of pending litigation are forward-looking statements.

We have based these forward-looking statements on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates, and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. These and other important factors, including those discussed under the headings Item 1A – *Risk Factors* in our Form 10-K and Item 1A – *Risk Factors* and Item 2 – *Management’s Discussion and Analysis of Financial Condition and Results of Operations* in this Form 10-Q may cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Some of the factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include:

- negative trends in overall business, financial market and economic conditions, and/or activity levels in our end markets;
- increases in interest rates, sustained periods of elevated interest rates, and reduced availability of financing for the purchase of new homes and home construction and improvements;
- declines in our relationships with and/or consolidation of our key customers;
- our highly competitive business environment;
- failure to successfully implement our strategic and transformation journey initiatives, including our productivity, cost reduction and global footprint rationalization initiatives;
- failure to retain and recruit executives, managers, and employees;
- disruptions in our operations due to natural disasters, changes in weather patterns and related extreme weather events, public health crises, and armed conflicts, including the ongoing conflict between Russia and Ukraine and instabilities in the Middle East;
- failure to timely identify or effectively respond to consumer needs, expectations, or trends;
- manufacturing realignments and cost savings programs resulting in a decrease in short-term earnings;
- seasonal business with varying revenue and profit;
- fluctuations in the prices of raw materials used to manufacture our products;
- changes to tariff, trade or investment policies or laws;
- delays or interruptions in the delivery of raw materials, finished goods, or certain component parts;
- economic and geopolitical uncertainty and risks that arise from operating a multinational business;
- exchange rate fluctuations;
- product liability claims, product recalls, or warranty claims;
- adverse outcome of pending or future litigation;
- acquisitions, divestitures, or investments in other businesses that may not be successful;
- inability to protect our intellectual property;
- increases in labor costs, potential labor disputes, and work stoppages at our facilities;
- pension plan obligations;
- security breaches and other cybersecurity incidents;

- changes in building codes that could increase the cost of our products or lower the demand for our windows and doors;
- compliance costs and liabilities under environmental, health, and safety laws and regulations;
- lack of transparency, threat of fraud, public sector corruption, and other forms of criminal activity involving government officials;
- availability and cost of credit;
- our current level of indebtedness and the effect of restrictive covenants under our existing or future indebtedness including our Credit Facilities and Senior Notes; and
- other risks and uncertainties, including those listed under Item 1A- *Risk Factors* in our Form 10-K and Item 1A- *Risk Factors* in this Form 10-Q.

Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. Any forward-looking statement in this Form 10-Q speaks only as of the date of this Form 10-Q. We do not undertake any obligation to update any of the forward-looking statements, except as required by law. We do not undertake any obligation to update or revise, or to publicly announce any update or revision to, any of the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

The forward-looking statements contained in this Form 10-Q are not guarantees of future performance and our actual results of operations, financial condition, and liquidity, and the development of the industry in which we operate, may differ materially from the forward-looking statements contained herein. In addition, even if our results of operations, financial condition, and liquidity, and events in the industry in which we operate, are consistent with the forward-looking statements contained in this Form 10-Q, they may not be predictive of results or developments in future periods.

Unless the context requires otherwise, references in this Form 10-Q to “we,” “us,” “our,” “the Company,” or “JELD-WEN” mean JELD-WEN Holding, Inc., together with our consolidated subsidiaries where the context requires, including our wholly owned subsidiary JWI.

Item 1 - Financial Statements

JELD-WEN HOLDING, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

<u>(amounts in thousands, except share and per share data)</u>	Three Months Ended	
	March 29, 2025	March 30, 2024
Net revenues	\$ 776,006	\$ 959,126
Cost of sales	663,923	786,546
Gross margin	112,083	172,580
Operating expenses		
Selling, general and administrative	144,767	182,804
Goodwill impairment (Note 6)	137,721	—
Restructuring and asset-related charges (Note 16)	14,546	18,059
Operating loss	(184,951)	(28,283)
Interest expense, net	14,918	15,692
Loss on extinguishment and refinancing of debt (Note 10)	237	1,449
Other income, net (Note 18)	(10,586)	(14,263)
Loss before taxes	(189,520)	(31,161)
Income tax expense (benefit) (Note 11)	618	(3,431)
Net loss	<u>\$ (190,138)</u>	<u>\$ (27,730)</u>
Weighted average common shares outstanding (Note 14) :		
Basic	84,917,294	85,520,145
Diluted	84,917,294	85,520,145
Net loss per share		
Basic	\$ (2.24)	\$ (0.32)
Diluted	\$ (2.24)	\$ (0.32)

Net income per share may not sum due to rounding.

The accompanying notes are an integral part of these unaudited Consolidated Financial Statements.

JELD-WEN HOLDING, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(unaudited)

<u>(amounts in thousands)</u>	Three Months Ended	
	March 29, 2025	March 30, 2024
Net loss	\$ (190,138)	\$ (27,730)
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments, net of tax expense of \$0 and \$1,147, respectively.	20,813	(18,298)
Foreign currency hedge adjustments, net of tax benefit of \$(597) and \$0, respectively.	(1,300)	—
Interest rate hedge adjustments, net of tax (benefit) expense of \$(12) and \$85, respectively.	(35)	252
Commodity hedge adjustments, net of tax expense of \$51 and \$0, respectively.	149	—
Defined benefit pension plans, net of tax (benefit) expense of \$(9) and \$2, respectively.	(19)	6
Total other comprehensive income (loss), net of tax	19,608	(18,040)
Comprehensive loss	\$ (170,530)	\$ (45,770)

The accompanying notes are an integral part of these unaudited Consolidated Financial Statements.

JELD-WEN HOLDING, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited)

<u>(amounts in thousands, except share and per share data)</u>	March 29, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 132,469	\$ 150,337
Restricted cash	703	710
Accounts receivable, net (Note 3)	453,602	388,415
Inventories (Note 4)	444,425	460,107
Other current assets	77,379	73,413
Assets held for sale (Note 17)	—	126,912
Total current assets	1,108,578	1,199,894
Property and equipment, net (Note 5)	699,752	681,439
Deferred tax assets	147,379	143,284
Goodwill (Note 6)	185,165	315,167
Intangible assets, net (Note 7)	100,554	101,987
Operating lease assets, net	120,766	126,256
Other assets	56,721	52,142
Total assets	\$ 2,418,915	\$ 2,620,169
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	\$ 269,178	\$ 264,947
Accrued payroll and benefits	82,622	89,600
Accrued expenses and other current liabilities (Note 8)	216,489	224,209
Current maturities of long-term debt (Note 10)	25,088	30,927
Liabilities held for sale (Note 17)	—	15,308
Total current liabilities	593,377	624,991
Long-term debt (Note 10)	1,157,121	1,152,449
Unfunded pension liability	23,857	21,615
Operating lease liability	99,249	105,499
Deferred credits and other liabilities	87,513	89,854
Deferred tax liabilities	5,659	5,699
Total liabilities	1,966,776	2,000,107
Commitments and contingencies (Note 21)		
Shareholders' equity		
Preferred Stock, par value \$0.01 per share, 90,000,000 shares authorized; no shares issued and outstanding	—	—
Common Stock: 900,000,000 shares authorized, par value \$0.01 per share, 85,217,425 and 84,653,408 shares issued and outstanding, respectively	851	846
Additional paid-in capital	771,666	769,064
Accumulated deficit	(210,491)	(20,353)
Accumulated other comprehensive loss	(109,887)	(129,495)
Total shareholders' equity	452,139	620,062
Total liabilities and shareholders' equity	\$ 2,418,915	\$ 2,620,169

The accompanying notes are an integral part of these unaudited Consolidated Financial Statements.

JELD-WEN HOLDING, INC.
CONSOLIDATED STATEMENTS OF EQUITY
(unaudited)

(amounts in thousands, except share and per share amounts)	Three Months Ended			
	March 29, 2025		March 30, 2024	
	Shares	Amount	Shares	Amount
Preferred stock, \$0.01 par value per share	—	\$ —	—	\$ —
Common stock, \$0.01 par value per share				
Balance at beginning of period	84,653,408	\$ 846	85,309,220	\$ 853
Shares issued for exercise/vesting of share-based compensation awards	619,074	6	613,331	7
Shares surrendered for tax obligations for employee share-based transactions	(55,057)	(1)	(21,008)	(1)
Balance at period end	<u>85,217,425</u>	<u>\$ 851</u>	<u>85,901,543</u>	<u>\$ 859</u>
Additional paid-in capital				
Balance at beginning of period		\$ 769,737		\$ 752,844
Shares issued for exercise/vesting of share-based compensation awards		(4)		2,012
Shares surrendered for tax obligations for employee share-based transactions		(622)		(402)
Amortization of share-based compensation		3,228		5,059
Balance at period end		<u>772,339</u>		<u>759,513</u>
Employee stock notes				
Balance at beginning of period		(673)		(673)
Net issuances, payments and accrued interest on notes		—		—
Balance at period end		<u>(673)</u>		<u>(673)</u>
Balance at period end		<u>\$ 771,666</u>		<u>\$ 758,840</u>
(Accumulated deficit) retained earnings				
Balance at beginning of period		\$ (20,353)		\$ 192,931
Net loss		(190,138)		(27,730)
Balance at period end		<u>\$ (210,491)</u>		<u>\$ 165,201</u>
Accumulated other comprehensive loss				
Balance at beginning of period		\$ (129,495)		\$ (95,310)
Foreign currency adjustments		20,813		(18,298)
Unrealized loss on foreign currency hedges		(1,300)		—
Unrealized (loss) gain on interest rate hedges		(35)		252
Unrealized gain on commodity hedges		149		—
Net actuarial pension (loss) gain		(19)		6
Balance at period end		<u>\$ (109,887)</u>		<u>\$ (113,350)</u>
Total shareholders' equity at period end		<u>\$ 452,139</u>		<u>\$ 811,550</u>

The accompanying notes are an integral part of these unaudited Consolidated Financial Statements.

JELD-WEN HOLDING, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

(amounts in thousands)	Three Months Ended	
	March 29, 2025	March 30, 2024
OPERATING ACTIVITIES		
Net loss	\$ (190,138)	\$ (27,730)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation and amortization	27,295	41,429
Deferred income taxes	(3,123)	(7,395)
Net gain on sale of business, property and equipment	(599)	(2,865)
Goodwill impairment	137,721	—
Adjustment to carrying value of assets	2,279	2,919
Amortization of deferred financing costs	535	434
Loss on extinguishment and refinancing of debt	237	787
Loss on foreign currency translation adjustment related to the substantial liquidation of a foreign subsidiary	—	4,290
Share-based compensation expense	3,228	5,059
Recovery of cost from receipts on impaired notes	—	(1,389)
Other items, net	(1,034)	(2,465)
Net change in operating assets and liabilities:		
Accounts receivable	(58,130)	(17,599)
Inventories	21,295	(13,776)
Other assets	(3,151)	(9,514)
Accounts payable and accrued expenses	(14,969)	22,910
Change in short-term and long-term tax liabilities	(4,940)	(6,093)
Net cash used in operating activities	<u>(83,494)</u>	<u>(10,998)</u>
INVESTING ACTIVITIES		
Purchases of property and equipment	(36,763)	(31,210)
Proceeds from sale of property and equipment	162	3,266
Purchase of intangible assets	(5,191)	(3,502)
Proceeds related to the court-ordered divestiture of Towanda	112,105	—
Recovery of cost from receipts on impaired notes	—	1,389
Cash received for notes receivable	7	—
Cash received from insurance proceeds	—	1,655
Purchase of securities for deferred compensation plan	(273)	(2,112)
Net cash provided by (used in) investing activities	<u>70,047</u>	<u>(30,514)</u>
FINANCING ACTIVITIES		
Change in long-term debt and payments of debt extinguishment costs	(6,064)	(7,710)
Common stock issued for exercise of options	2	2,019
Payments to tax authorities for employee share-based compensation	—	(403)
Payments related to the sale of JW Australia	(540)	(714)
Net cash used in financing activities	<u>(6,602)</u>	<u>(6,808)</u>
Effect of foreign currency exchange rates on cash	2,174	(5,617)
Net decrease in cash and cash equivalents	<u>(17,875)</u>	<u>(53,937)</u>
Cash, cash equivalents and restricted cash, beginning	151,047	289,147
Cash, cash equivalents and restricted cash, ending	<u>\$ 133,172</u>	<u>\$ 235,210</u>

Refer to Note 22 - *Supplemental Cash Flow* for more information.

The accompanying notes are an integral part of these unaudited Consolidated Financial Statements.

JELD-WEN HOLDING, INC. NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Description of Company and Summary of Significant Accounting Policies

Nature of Business – JELD-WEN Holding, Inc., along with its subsidiaries, is a vertically integrated global manufacturer and distributor of windows, doors, and other building products that derives substantially all its revenues from the sale of its door and window products. Unless otherwise specified or the context otherwise requires, all references in these notes to “JELD-WEN,” “we,” “us,” “our,” or the “Company” are to JELD-WEN Holding, Inc. and its subsidiaries.

Our continuing operations include facilities located in the U.S., Canada, and Europe. Our products are marketed primarily under the JELD-WEN brand name in the U.S. and Canada and under JELD-WEN and a variety of acquired brand names in Europe.

Our revenues are affected by the level of new housing starts, residential and non-residential building construction, and repair and remodeling activity in each of our markets. Our sales typically follow seasonal new construction and repair and remodeling industry patterns. The peak season for home construction and remodeling in many of our markets generally corresponds with the second and third calendar quarters, and therefore, sales volume is typically higher during those quarters. Our first and fourth quarter sales volumes are generally lower due to reduced repair and remodeling activity and reduced activity in the building and construction industry as a result of colder and more inclement weather in certain areas of our geographic end markets.

Basis of Presentation – The accompanying unaudited consolidated financial statements as of March 29, 2025, and for the three months ended March 29, 2025 and March 30, 2024, respectively, have been prepared in accordance with GAAP for interim financial information and pursuant to the rules and regulations of the SEC. In the opinion of management, the unaudited consolidated financial statements have been prepared on the same basis as the audited financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for the fair statement of the Company’s financial position for the periods presented. The results for the three months ended March 29, 2025, are not necessarily indicative of the results to be expected for the year ending December 31, 2025, or any other period. The accompanying consolidated balance sheet as of December 31, 2024, was derived from audited financial statements included in our Annual Report on Form 10-K. The accompanying consolidated financial statements do not include all the information and footnotes required by GAAP for annual financial statements. Accordingly, they should be read in conjunction with the audited financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024.

All U.S. dollar and other currency amounts, except per share amounts, are presented in thousands unless otherwise noted.

Fiscal Year – We operate on a fiscal calendar year, and each interim quarter is comprised of two 4-week periods and one 5-week period, with each week ending on a Saturday. Our fiscal year always begins on January 1 and ends on December 31. As a result, our first and fourth quarters may have more, or fewer days included than a traditional 91-day fiscal quarter.

Use of Estimates – The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates, assumptions, and allocations that affect amounts reported in the consolidated financial statements and related notes. Significant items that are subject to such estimates and assumptions include, but are not limited to, long-lived assets including goodwill and other intangible assets, employee benefit obligations, income tax uncertainties, contingent assets and liabilities, provisions for bad debt, inventory, warranty liabilities, legal claims, valuation of derivatives, environmental remediation, and claims relating to self-insurance. Actual results could differ due to the uncertainty inherent in the nature of these estimates.

CARES Act – In March 2020, the United States government enacted the CARES Act to provide certain relief as a result of the COVID-19 pandemic. The CARES Act provided tax relief, along with other stimulus measures, including a provision for an ERC designed to encourage businesses to retain employees during the COVID-19 pandemic. We recorded a receivable for an ERC from the U.S. government of \$6.1 million in other income, net in the fourth quarter of 2023. The balance is included in other current assets in the accompanying consolidated balance sheets as of March 29, 2025 and December 31, 2024, respectively.

Recent Accounting Standards Not Yet Adopted – In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. ASU 2023-09 expands disclosures in an entity's income tax rate reconciliation table and regarding cash taxes paid both in the U.S. and foreign jurisdictions. The guidance is effective for annual periods beginning after December 15, 2024, with early adoption permitted, and should be applied either prospectively to financial statements issued for reporting dates after the effective date or retrospectively to any or all prior periods presented in the financial statements. We have not elected to early adopt this standard. We are currently evaluating the impact of this guidance on the Company's disclosures.

In November 2024, the FASB issued ASU 2024-03, *Expense Disaggregation Disclosures: Disaggregation of Income Statement Expenses*. ASU 2024-03 requires disclosure of disaggregated information about specific natural expense categories underlying certain income statement expense line items that are considered relevant. The FASB also issued ASU 2025-01, *Expense Disaggregation Disclosures: Clarifying the Effective Date*, which clarifies the adoption date of ASU 2024-03 as annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted, and the guidance should be applied either prospectively to financial statements issued for reporting dates after the effective date or retrospectively to any or all prior periods presented in the financial statements. We are currently evaluating the impact of this guidance on the Company's disclosures.

We have considered the applicability and impact of all ASUs. We have assessed the ASUs not listed above and determined that they were either not applicable or were not expected to have a material impact on our financial statements.

Note 2. Divestiture

Divestiture of Towanda

On January 17, 2025, pursuant to an order issued by the United States District Court for the Eastern District of Virginia, Richmond Division, and the previously announced Asset Purchase Agreement dated October 11, 2024 and effective December 13, 2024, JWJ completed the sale of its Towanda, PA operations to WG Towanda LLC, a wholly owned subsidiary of Woodgrain Inc. Towanda was previously included within the North America segment.

Since the Company will continue manufacturing door skins for its internal needs, the court-ordered divestiture decision did not represent a strategic shift thereby precluding the court-ordered divestiture as qualifying as a discontinued operation.

The selling price of Towanda was \$115.0 million, subject to certain adjustments and closing conditions, paid in cash during the first quarter of 2025. In connection with the Asset Purchase Agreement, the Company recognized a \$31.4 million goodwill impairment charge during the fourth quarter of 2024. We recorded a \$0.7 million pre-tax gain on the sale of Towanda, within SG&A in our consolidated statements of operations for the quarter ended March 29, 2025. The gain is driven by a post-close net working capital adjustment. Towanda had a net carrying value of \$110.8 million, which included property and equipment, net of \$65.4 million, inventory of \$16.7 million, trade receivables of \$8.8 million, operating lease assets of \$2.2 million, intangible assets, net of \$1.5 million and goodwill of \$33.6 million. The goodwill is not deductible for tax purposes. The assets were partially offset by accounts payable of \$9.2 million and other liabilities which were individually immaterial. We recorded \$8.5 million in tax expense related to the gain from the sale within income tax expense in our consolidated statements of operations for the quarter ended March 29, 2025.

Note 3. Accounts Receivable

We sell our manufactured products to a large number of customers, primarily in the residential housing construction and remodel sectors, broadly dispersed across many domestic and foreign geographic regions. We assess the credit risk relating to our accounts receivable based on quantitative and qualitative factors, including historical credit collections within each region where we have operations. We perform ongoing credit evaluations of our customers to minimize credit risk. We do not usually require collateral for accounts receivable, but do require advance payment, guarantees, a security interest in the products sold to a customer, and/or letters of credit in certain situations. Customer accounts receivable converted to notes receivable are collateralized by inventory or other collateral.

At March 29, 2025 and December 31, 2024, we had an allowance for credit losses of \$10.0 million and \$9.6 million, respectively.

Note 4. Inventories

Inventories are stated at the lower of cost or net realizable value. Finished goods and work-in-process inventories include material, labor, and manufacturing overhead costs.

(amounts in thousands)	March 29, 2025	December 31, 2024
Raw materials	\$ 359,888	\$ 380,277
Work in process	20,977	19,763
Finished goods	86,847	82,615
Inventory valuation reserves	(23,287)	(22,548)
Total inventories	\$ 444,425	\$ 460,107

Note 5. Property and Equipment, Net

(amounts in thousands)	March 29, 2025	December 31, 2024
Property and equipment	\$ 2,033,822	\$ 1,991,145
Accumulated depreciation	(1,334,070)	(1,309,706)
Total property and equipment, net	\$ 699,752	\$ 681,439

The effect on our carrying value of property and equipment due to currency translations for foreign property and equipment, net, was an increase of \$7.8 million as of March 29, 2025 compared to December 31, 2024.

Depreciation expense was recorded as follows:

(amounts in thousands)	Three Months Ended	
	March 29, 2025	March 30, 2024
Cost of sales	\$ 19,172	\$ 19,998
Selling, general and administrative	1,178	1,121
Total depreciation expense	\$ 20,350	\$ 21,119

Note 6. Goodwill

Goodwill is tested for impairment on an annual basis during the fourth quarter and between annual tests if indicators of potential impairment exist. Between annual testing dates, the Company monitors factors such as its market capitalization, comparable company market multiples, macroeconomic conditions and individual reporting unit financial performance to identify conditions that could impact the Company's assumptions utilized in the determination of the estimated fair values of the Company's reporting units and indefinite-lived intangible assets significantly enough to trigger an interim impairment test.

The goodwill impairment tests are based on determining the fair value of the specified reporting units based on management judgments and assumptions using the discounted cash flows under the income approach classified in Level 3 of the fair value hierarchy and comparable company market valuation classified in Level 2 of the fair value hierarchy approaches. The valuation approaches are subject to key judgments and assumptions that are sensitive to change such as judgments and assumptions including revenue growth rates, expected EBITDA margins, market multiples, discount rates, capital expenditures and terminal growth rates.

As previously disclosed, following our 2024 annual impairment test for our North America reporting unit, we concluded that, while no impairment existed as of the test date, the fair value of our reporting unit exceeded its carrying value by less than 10%. During the first quarter of 2025, the Company determined that a triggering event occurred, requiring an interim goodwill impairment test for its North America reporting unit as of March 29, 2025. This was due to factors that increased short term sales and EBITDA volatility, reflecting anticipated economic headwinds, deterioration of market demand versus previous expectations, and uncertainty around how potential increases in inflationary pressures on imports will impact customer demand. These factors include a decrease in the US GDP growth consensus estimate for 2025 by approximately 40 basis points from the end of 2024. Further, the National Association of Homebuilders reported that single-family starts are projected to grow 70 basis points less than previously estimated, and multifamily starts are expected to decline 6.0% in 2025, down from a 3.5% decline cited in previous reports. Additionally, during the quarter, we saw a continued decline in the market price of our common stock, resulting in a decrease in our market capitalization. The impairment test indicated a non-cash goodwill impairment charge related to the North America reporting unit of \$137.7 million, which the Company recorded in the consolidated statements of operations during the three months ended March 29, 2025. Following this impairment charge to our North America reporting unit, the fair values of both of our reporting units approximate their carrying value.

A significant or prolonged deterioration in economic conditions, a further decline in projected future cash flows, or increases in the discount rates, could impact the Company's assumptions and require a reassessment of goodwill for possible impairment in future periods. Future declines in estimated after tax cash flows, increases in the discount rates or a decline in market capitalization could result in an additional indication of impairment in one or more of the Company's reporting units.

The following table summarizes the changes in goodwill by reportable segment:

<u>(amounts in thousands)</u>	North America	Europe	Total Reportable Segments
Gross carrying amount at December 31, 2024	\$ 181,025	\$ 250,636	\$ 431,661
Currency translation	23	11,977	12,000
Gross carrying amount at March 29, 2025	\$ 181,048	\$ 262,613	\$ 443,661
Accumulated impairment losses at December 31, 2024	\$ —	\$ (116,494)	\$ (116,494)
Impairment	(137,721)	—	(137,721)
Currency translation	—	(4,281)	(4,281)
Accumulated impairment losses at March 29, 2025	\$ (137,721)	\$ (120,775)	\$ (258,496)
Balance, net of impairment at March 29, 2025	<u>\$ 43,327</u>	<u>\$ 141,838</u>	<u>\$ 185,165</u>

Note 7. Intangible Assets, Net

The cost and accumulated amortization values of our intangible assets were as follows:

<u>(amounts in thousands)</u>	March 29, 2025		
	Cost	Accumulated Amortization	Net Book Value
Customer relationships and agreements	\$ 122,215	\$ (94,660)	\$ 27,555
Software	78,835	(32,616)	46,219
Trademarks and trade names	31,843	(12,734)	19,109
Patents, licenses and rights	13,524	(5,853)	7,671
Total amortizable intangibles	<u>\$ 246,417</u>	<u>\$ (145,863)</u>	<u>\$ 100,554</u>

(amounts in thousands)	December 31, 2024		
	Cost	Accumulated Amortization	Net Book Value
Customer relationships and agreements	\$ 119,674	\$ (90,073)	\$ 29,601
Software	76,048	(30,021)	46,027
Trademarks and trade names	31,384	(12,113)	19,271
Patents, licenses and rights	12,627	(5,539)	7,088
Total amortizable intangibles	<u>\$ 239,733</u>	<u>\$ (137,746)</u>	<u>\$ 101,987</u>

We recorded accelerated amortization of \$14.1 million during the three months ended March 30, 2024, for an ERP that we are no longer utilizing after we completed our related obligations under the JW Australia Transition Services Agreement during the first quarter of 2024. The expense was recorded within SG&A expense in the accompanying consolidated statements of operations.

The effect on our carrying value of intangible assets due to currency translations for foreign intangible assets was an increase of \$0.6 million as of March 29, 2025 compared to December 31, 2024.

Amortization expense was recorded as follows:

(amounts in thousands)	Three Months Ended	
	March 29, 2025	March 30, 2024
Amortization expense	\$ 5,493	\$ 18,916

Note 8. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

(amounts in thousands)	March 29, 2025	December 31, 2024
Accrued sales and advertising rebates	\$ 55,897	\$ 74,043
Current portion of operating lease liability	32,922	32,738
Non-income related taxes	23,693	19,952
Current portion of warranty liability (Note 9)	18,759	18,394
Accrued freight	16,351	15,174
Current portion of accrued claim costs relating to self-insurance programs	14,540	15,254
Current portion of restructuring accrual (Note 16)	11,573	7,605
Accrued expenses	10,108	10,783
Accrued interest payable	9,806	9,846
Current portion of derivative liability (Note 19)	9,138	2,905
Legal claims provision (Note 21)	5,059	4,678
Deferred revenue and customer deposits	4,463	5,404
Accrued income taxes payable	4,180	7,433
Total accrued expenses and other current liabilities	<u>\$ 216,489</u>	<u>\$ 224,209</u>

The accrued sales and advertising rebates, accrued interest payable, accrued freight, and non-income related taxes can significantly fluctuate period-over-period due to timing of payments.

Note 9. Warranty Liability

Warranty terms range from one year to lifetime on certain window and door components. Warranties are normally limited to servicing or replacing defective components for the original customer. Product defects arising within six months of sale are classified as manufacturing defects and are not included in the current period expense below. Some warranties are transferable to subsequent owners and are either limited to 10 years from the date of manufacture or require pro rata payments from the customer. Estimated warranty costs based on historical experience are recorded as a provision at the time of sale. The provision is adjusted periodically to reflect actual experience.

An analysis of our warranty liability is as follows:

<u>(amounts in thousands)</u>	<u>March 29, 2025</u>	<u>March 30, 2024</u>
Balance as of January 1	\$ 47,289	\$ 53,247
Current period charges	2,943	6,027
Experience adjustments	—	394
Payments	(5,820)	(6,760)
Currency translation	295	(330)
Balance at period end	<u>\$ 44,707</u>	<u>\$ 52,578</u>
Current portion	<u>(18,759)</u>	<u>(22,201)</u>
Long-term portion	<u>\$ 25,948</u>	<u>\$ 30,377</u>

The most significant component of our warranty liability was in the North America segment. As of March 29, 2025, the warranty liability in the North America segment totaled \$38.4 million, after discounting future estimated cash flows at rates between 4.30% and 4.57%. Without discounting, the liability would have increased by approximately \$3.3 million.

Note 10. Long-Term Debt

Our long-term debt, net of original issue discounts and unamortized debt issuance costs, consisted of the following:

<u>(amounts in thousands)</u>	<u>March 29, 2025</u>	<u>March 29, 2025</u>	<u>December 31, 2024</u>
	<u>Interest Rate</u>		
Senior Notes	4.88% - 7.00%	\$ 750,000	\$ 750,000
Term Loan Facility	6.44% ⁽¹⁾	380,888	380,888
Finance leases and other financing arrangements	1.00% - 8.28% ⁽¹⁾	59,445	61,071
Total Debt		<u>\$ 1,190,333</u>	<u>\$ 1,191,959</u>
Unamortized debt issuance costs and original issue discounts		(8,124)	(8,583)
Current maturities of long-term debt		(25,088)	(30,927)
Long-term debt		<u>\$ 1,157,121</u>	<u>\$ 1,152,449</u>

(1) Term Loan Facility and certain finance leases and other financing arrangements are subject to variable interest rates.

Summaries of our significant changes to outstanding debt agreements as of March 29, 2025, are as follows:

Senior Secured Notes and Senior Notes

In December 2017, we issued \$800.0 million of Senior Notes in two tranches: \$400.0 million bearing interest at 4.63% and maturing in December 2025, and \$400.0 million bearing interest at 4.88% and maturing in December 2027 in a private placement for resale to qualified institutional buyers pursuant to Rule 144A under the Securities Act.

In May 2020, we issued \$250.0 million of Senior Secured Notes bearing interest at 6.25% and maturing in May 2025 in a private placement for resale to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The proceeds were net of fees and expenses associated with debt issuance, including an underwriting fee of 1.25%. Interest is payable semiannually, in arrears, each May and November.

In August 2023, we redeemed all \$250.0 million of our 6.25% Senior Secured Notes and \$200.0 million of our 4.63% Senior Notes. The Company recognized a pre-tax loss of \$6.5 million on the redemption in the third quarter of 2023, consisting of \$3.9 million in call premium and \$2.6 million in accelerated amortization of debt issuance costs.

In August 2024, we issued \$350.0 million of Senior Notes bearing interest at 7.00% and maturing September 2032 in a private placement for resale to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The proceeds were net of fees and expenses associated with debt issuance including an underwriting fee of 1.25%. We incurred debt issuance costs of \$5.5 million which will be amortized to interest expense over the life of the notes using the effective interest method. Interest is payable semiannually, in arrears, each March and September.

In September 2024, we utilized a portion of the proceeds from the issuance of our 7.00% Senior Notes described above to redeem the remaining \$200.0 million of our 4.63% Senior Notes. The Company recognized a pre-tax loss of \$0.5 million on the redemption in the third quarter of 2024, consisting entirely in accelerated amortization of debt issuance costs.

Term Loan Facility

U.S. Facility - Initially executed in October 2014, we amended the Term Loan Facility in July 2021 to, among other things, extend the maturity date from December 2024 to July 2028 and provide additional covenant flexibility. Pursuant to the amendment, certain existing and new lenders advanced \$550.0 million of replacement term loans, the proceeds of which were used to prepay in full the amount outstanding under the previously existing term loans. The replacement term loans originally bore interest at LIBOR (subject to a floor of 0.00%) plus a margin of 2.00% to 2.25% depending on JWJ's corporate credit ratings. In addition, the amendment also modified certain other terms and provisions of the Term Loan Facility and added language to address the replacement of LIBOR with a SOFR basis upon June 30, 2023, cessation of the publication of LIBOR. Voluntary prepayments of the replacement term loans are permitted at any time, in certain minimum principal amounts, but were subject to a 1.00% premium during the first six months. The amendment requires 0.25% of the initial principal to be repaid quarterly until maturity. As a result of this amendment, we recognized debt extinguishment costs of \$1.3 million, which included \$1.0 million of unamortized debt issuance costs and original discount fees.

In January 2024, we amended the Term Loan Facility to lower the applicable margin for replacement term loans, remove certain provisions no longer relevant to the parties, and make certain other technical amendments and related conforming changes. Pursuant to the amendment, replacement term loans bear interest at SOFR plus a margin of 1.75% to 2.00% depending on JWJ's corporate credit ratings, compared to a margin of 2.00% to 2.25% under the previous amendment. All other material terms and conditions of the Term Loan Agreement were unchanged. As a result of this amendment, we recognized debt extinguishment and refinancing costs of \$1.4 million, which included \$0.8 million of unamortized debt issuance costs and original discount fees.

In February 2024, we entered into interest rate collar agreements with a cap rate of 4.50% paid against one-month USD-SOFR CME Term floored at 3.982% and 3.895% with outstanding notional amounts aggregating to \$100.0 million corresponding to that amount of the debt outstanding under our Term Loan Facility. The interest rate collar agreements were designated as cash flow hedges of a portion of the interest obligations on our Term Loan Facility borrowings and mature in February 2026. Refer to Note 19 - *Derivative Financial Instruments* for more information on our derivative assets and liabilities.

In August 2024, we utilized a portion of the proceeds received from our issuance of \$350.0 million of Senior Notes to repay \$150.0 million of the outstanding balance of our Term Loan Facility. As of March 29, 2025, the outstanding principal balance, net of original issue discount, was \$380.5 million.

Revolving Credit Facility

ABL Facility - Initially executed in 2014, extensions of credit under our ABL Facility are limited by a borrowing base calculated based on specified percentages of the value of eligible accounts receivable and inventory, subject to certain reserves and other adjustments. We pay a fee of 0.25% on the unused portion of the commitments. The ABL Facility has a minimum fixed charge coverage ratio that we are obligated to comply with under certain circumstances. The ABL Facility has various non-financial covenants, including restrictions on liens, indebtedness, dividends, customary representations and warranties, and customary events of defaults and remedies.

In March 2025, we amended the ABL Facility to extend the maturity date from July 2026 to March 2028, replace the CDOR as the applicable rate with respect to loans denominated in Canadian Dollars with the CORRA, and make certain other technical amendments and related conforming changes. All other material terms and conditions of the Credit Agreement were unchanged including the aggregate commitment, which remained at \$500.0 million. As a result of this amendment, the Company recognized a pre-tax loss of \$0.2 million in the three months ended March 29, 2025, consisting of unamortized issuance costs.

As of March 29, 2025, we had no outstanding borrowings under the ABL Facility, \$2.8 million in letters of credit and \$366.9 million available under the ABL Facility.

Mortgage Notes

In December 2007, we entered into thirty-year mortgage notes secured by land and buildings in Denmark with principal payments which began in 2018. In October 2024, we repaid the entire remaining principal balance of the mortgage notes of DKK 142.5 million (\$20.7 million).

Finance leases and other financing arrangements

In addition to finance leases, we include loans secured by equipment in this category. As of March 29, 2025, we had \$59.4 million outstanding in this category, with maturities ranging from 2025 to 2031.

As of March 29, 2025, we were in compliance with the terms of all our Credit Facilities and the indentures governing the Senior Notes.

Note 11. Income Taxes

The effective income tax rate was (0.3)% and 11.0% for the three months ended March 29, 2025 and March 30, 2024, respectively. In accordance with ASC 740-270, we recorded an income tax expense of \$0.6 million and an income tax benefit of \$3.4 million in the three months ended March 29, 2025 and March 30, 2024, respectively. We applied our estimated annual effective tax rate to year-to-date income for includable entities during the respective periods. Entities that are currently generating losses and for which there is a full valuation allowance are excluded from the worldwide effective tax rate calculation and are calculated separately.

The impact of significant discrete items is separately recognized in the quarter in which they occur. The tax expense for discrete items included in the tax provision for the three months ended March 29, 2025, was \$14.4 million, compared to a tax expense of \$2.6 million for the three months ended March 30, 2024. The discrete tax expense amounts for the three months ended March 29, 2025 comprised primarily of \$14.2 million attributable to the valuation allowance on state tax attributes, \$9.8 million tax benefit due to goodwill impairment, \$8.5 million of tax expense related to the court-ordered divestiture of Towanda and \$1.1 million of tax expense attributable to share-based compensation. The discrete tax expense amounts for the three months ended March 30, 2024 comprised primarily of a net \$2.0 million of tax expense due to changes in UTPs and a \$0.4 million increase to the valuation allowance.

A valuation allowance is recorded when it is more likely than not that some portion of the deferred tax assets will not be realized. In making this determination, we consider all available positive and negative evidence and make certain assumptions. We consider, among other things, our deferred tax liabilities, the overall business environment, our historical earnings and losses, current industry trends, and our outlook for future periods including consideration of certain strategic actions and tax planning opportunities we expect to consummate within the year.

Under ASC 740-10, we provide for UTPs and the related interest expense by adjusting unrecognized tax benefits and accrued interest accordingly. We recognize potential interest and penalties related to unrecognized tax benefits in income tax expense. As of March 29, 2025 and December 31, 2024, we had a liability for unrecognized tax benefits without regard to accrued interest of \$45.3 million and \$43.7 million, respectively.

The U.S. Congress, the OECD, the EU and other government agencies in jurisdictions in which we and our affiliates do business have maintained a focus on the taxation of multinational companies. During 2023, the OECD issued administrative guidance for Pillar Two, which generally imposes a 15% global minimum tax on multinational companies. Many Pillar Two rules are effective for fiscal years beginning on January 1, 2024, with other aspects to be effective from 2025. We regularly monitor developments in our jurisdictions and consider the impact of the tax-related proposals as they arise. We have included the estimated impacts of Pillar Two rules in our estimated annual effective tax rate.

As of March 29, 2025, the Company maintained a partial indefinite reinvestment assertion on its post-2017 undistributed foreign earnings.

Note 12. Segment Information

We report our segment information in the same way management internally organizes the business to assess performance and make decisions regarding allocation of resources in accordance with ASC 280-10 - *Segment Reporting*. Management, inclusive of the CODM, reviews net revenues and Adjusted EBITDA to evaluate segment performance and allocate resources. We define Adjusted EBITDA as income (loss), net of tax, adjusted for the following items: income tax expense (benefit); depreciation and amortization; interest expense (income), net; and certain special items consisting of non-recurring net legal and professional expenses and settlements; goodwill impairment; restructuring and asset-related charges; M&A related costs; net (gain) loss on sale of business, property and equipment; loss on extinguishment and refinancing of debt; share-based compensation expense; non-cash foreign exchange transaction/translation (gain) loss; and other special items. We use Adjusted EBITDA because we believe this measure assists investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. For each of our segments, our CODM uses Adjusted EBITDA to measure operational performance by comparing historical, actual and forecasted amounts on a regular basis, and to allocate resources in the annual budget and forecasting process. Adjusted EBITDA is also a significant performance measure in our annual incentive compensation.

We have two reportable segments, organized and managed principally in geographic regions: North America and Europe. We report all other business activities in Corporate and unallocated costs. The Company's two reportable segments are defined as follows:

North America – Within our North America segment, the Company supplies windows and doors for residential and commercial markets, serving both new construction and repair & remodel projects. These products reach builders, repair and replacement contractors, architects, and homebuilders through direct and indirect channels, including dealer and distribution networks.

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Europe – Within our Europe segment, the Company manufactures and supplies to retailers, merchants, housebuilders and construction companies' interior doors, doorsets and door kits, in wood and steel, with both standard and high-performance features.

Factors considered in determining the two reportable segments include the nature of business activities, the management structure accountable directly to the CODM, the discrete financial information regularly provided to the CODM, and information presented to the Board of Directors and investors. The CODM is the CEO. No operating segments have been aggregated for our presentation of reportable segments.

The following tables set forth certain information relating to our segments' operations:

(amounts in thousands)	Three Months Ended March 29, 2025		
	North America	Europe	Total
Revenues from external customers	\$ 530,561	\$ 245,445	\$ 776,006
Intersegment net revenues	33	489	522
Total segment net revenues	\$ 530,594	\$ 245,934	\$ 776,528
Reconciliation of Revenue			
Elimination of intersegment net revenues			(522)
Total consolidated net revenues			\$ 776,006
Less:			
Adjusted cost of sales	\$ 465,648	\$ 197,854	\$ 663,502
Adjusted selling, general and administrative	69,499	44,261	113,760
Other segment items ⁽¹⁾	(20,110)	(7,327)	(27,437)
Adjusted EBITDA	\$ 15,524	\$ 10,657	\$ 26,181
Total Reportable Segment Adjusted EBITDA			\$ 26,181
Less:			
Depreciation and amortization			27,295
Interest expense, net			14,918
Corporate and unallocated costs			4,312
Special items:			
Net legal and professional expenses and settlements			11,882
Goodwill impairment			137,721
Restructuring and asset-related charges			14,546
M&A related costs			(613)
Net gain on sale of business, property and equipment			(653)
Loss on extinguishment and refinancing of debt			237
Share-based compensation expense			3,228
Other special items			2,828
Loss, before tax			\$ (189,520)

- (1) Other segment items included depreciation and amortization, which are included as a component of the significant expense categories regularly provided to the CODM above but are not included in the measure of segment profit, as well as other items, which are excluded from the categories regularly provided to the CODM, which primarily included:

North America - Refund of deposits for antidumping and countervailing duties on wood mouldings and millwork products purchased from China from 2022 to 2023.

Europe - Pension expense and foreign currency gains.

(amounts in thousands)	Three Months Ended March 29, 2025			
	North America	Europe	Corporate and Unallocated Costs	Total Consolidated
Depreciation and amortization	\$ 17,325	\$ 7,565	\$ 2,405	\$ 27,295
Capital expenditures	27,736	10,290	3,928	41,954
Segment assets	1,349,336	774,988	294,591	2,418,915

(amounts in thousands)	Three Months Ended March 30, 2024		
	North America	Europe	Total
Revenues from external customers	\$ 679,994	\$ 279,132	\$ 959,126
Intersegment net revenues	8	666	674
Total segment net revenues	\$ 680,002	\$ 279,798	\$ 959,800
Reconciliation of Revenue			
Elimination of intersegment net revenues			(674)
Total consolidated net revenues			\$ 959,126
Less:			
Adjusted cost of sales	\$ 562,164	\$ 223,053	\$ 785,217
Adjusted selling, general and administrative	77,706	48,746	126,452
Other segment items ⁽¹⁾	(21,074)	(7,170)	(28,244)
Adjusted EBITDA	\$ 61,198	\$ 14,503	\$ 75,701
Total Reportable Segment Adjusted EBITDA			\$ 75,701
Less:			
Depreciation and amortization			41,429
Interest expense, net			15,692
Corporate and unallocated costs			6,993
Special items:			
Net legal and professional expenses and settlements			17,190
Restructuring and asset-related charges			18,059
M&A related costs			1,125
Net gain on sale of business, property and equipment			(2,865)
Loss on extinguishment and refinancing of debt			1,449
Share-based compensation expense			5,059
Non-cash foreign exchange transaction/translation gain			(1,546)
Other special items			4,277
Loss, before tax			\$ (31,161)

- (1) Other segment items included depreciation and amortization, which are included as a component of the significant expense categories regularly provided to the CODM above but are not included in the measure of segment profit, as well as other items, which are excluded from the categories regularly provided to the CODM, which primarily included:

North America - Refund of deposits for antidumping and countervailing duties on wood mouldings and millwork products purchased from China from 2020 to 2022.

Europe - Pension expense and foreign currency losses.

(amounts in thousands)	Three Months Ended March 30, 2024			
	North America	Europe	Corporate and Unallocated Costs	Total Consolidated
Depreciation and amortization	\$ 17,991	\$ 7,493	\$ 15,945	\$ 41,429
Capital expenditures	21,324	10,914	2,474	34,712
Segment assets	1,683,330	936,605	313,831	2,933,766

Note 13. Capital Stock

Preferred Stock - Our Board of Directors is authorized to issue Preferred Stock from time to time in one or more series and with such rights, privileges, and preferences as the Board of Directors shall from time to time determine. We have not issued any shares of Preferred Stock.

Common Stock - Common Stock includes the basis of outstanding shares plus amounts recorded as additional paid-in capital. Shares outstanding exclude the shares issued to the Employee Benefit Trust that are considered similar to treasury shares and total 193,941 shares at both March 29, 2025 and December 31, 2024, with a total original issuance value of \$12.4 million.

We record share repurchases on their trade date and reduce shareholders' equity and increase accounts payable. Repurchased shares are retired, and the excess of the repurchase price over the par value of the shares is charged to retained earnings.

On July 28, 2022, the Board of Directors reduced our previous repurchase authorization of \$400.0 million to a total aggregate value of \$200.0 million with no expiration date. As of March 29, 2025, \$175.7 million remained under the repurchase program.

During the three months ended March 29, 2025 and March 30, 2024, we did not repurchase shares of our Common Stock.

Note 14. Loss Per Share

The basic and diluted loss per share calculations were determined based on the following share data:

	Three Months Ended	
	March 29, 2025	March 30, 2024
Weighted average outstanding shares of Common Stock basic	84,917,294	85,520,145
Restricted stock units, performance share units and options to purchase Common Stock	—	—
Weighted average outstanding shares of Common Stock diluted	84,917,294	85,520,145

For the three months ended March 29, 2025 and March 30, 2024, we had net losses from operations. As a result, no potentially dilutive securities were included in the denominator for computing diluted loss per share as their inclusion would have been antidilutive.

The following table provides the securities that could potentially dilute basic earnings per share in the future but were not included in the computation of diluted income per share as their inclusion would be anti-dilutive:

	Three Months Ended	
	March 29, 2025	March 30, 2024
Common Stock options	1,558,883	1,230,888
Restricted stock units	1,205,152	1,304,172
Performance share units	64,781	355,467

Note 15. Stock Compensation

The activity under our incentive plans for the periods presented is reflected in the following tables:

	Three Months Ended			
	March 29, 2025		March 30, 2024	
	Shares	Weighted Average Exercise Price Per Share	Shares	Weighted Average Exercise Price Per Share
Options granted	536,432	\$ 9.05	365,412	\$ 18.52
Options cancelled	41,989	\$ 22.28	9,140	\$ 27.37
Options exercised	—	\$ —	143,180	\$ 14.09

	Three Months Ended			
	March 29, 2025		March 30, 2024	
	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value
RSUs granted	1,386,301	\$ 9.02	835,911	\$ 18.52
PSUs granted	620,673	\$ 9.47	417,347	\$ 22.60

Share-based compensation expense was \$3.2 million and \$5.1 million for the three months ended March 29, 2025 and March 30, 2024, respectively. As of March 29, 2025, we had \$25.8 million of total unrecognized compensation expense related to non-vested share-based compensation arrangements. This cost is expected to be recognized over the remaining weighted-average vesting period of 1.9 years.

Note 16. Restructuring and Asset-Related Charges

We engage in restructuring activities focused on improving productivity and operating margins. Restructuring costs primarily relate to costs associated with workforce reductions, plant consolidations and closures, and changes to the management structure to align with our operations. Other restructuring associated costs primarily consist of equipment relocation and facility restoration costs. Asset-related charges consist of accelerated depreciation and amortization of assets due to changes in asset useful lives.

The following table summarizes the restructuring and asset-related charges for the periods indicated:

(amounts in thousands)	North America	Europe	Corporate and Unallocated Costs	Total Consolidated
Three Months Ended March 29, 2025				
Restructuring severance and employee-related charges ⁽¹⁾	\$ 10,019	\$ 1,850	\$ 736	\$ 12,605
Other restructuring associated costs, net	644	1,131	—	1,775
Asset-related charges	—	166	—	166
Other restructuring associated costs and asset-related charges, net	644	1,297	—	1,941
Total restructuring and asset-related charges, net	\$ 10,663	\$ 3,147	\$ 736	\$ 14,546
Three Months Ended March 30, 2024				
Restructuring severance and employee-related charges	\$ 8,889	\$ 3,398	\$ 205	\$ 12,492
Other restructuring associated costs, net	2,090	558	—	2,648
Asset-related charges	2,919	—	—	2,919
Other restructuring associated costs and asset-related charges, net	5,009	558	—	5,567
Total restructuring and asset-related charges, net	\$ 13,898	\$ 3,956	\$ 205	\$ 18,059

- (1) In the first quarter of fiscal 2025, the Company implemented a reduction in force, which is substantially complete as of March 29, 2025. The charges incurred in the three months ended March 29, 2025, were included in restructuring and asset-related charges, net in the accompanying consolidated statement of operations and include \$2.8 million related to North America and \$0.7 million related to Corporate.

The following is a summary of the restructuring accruals recorded, and charges incurred:

(amounts in thousands)	March 29, 2025	December 31, 2024
Balance as of January 1	\$ 7,605	\$ 3,375
Current period charges, net	14,380	45,377
Payments	(10,585)	(40,879)
Currency translation	173	(268)
Balance at period end	\$ 11,573	\$ 7,605

Restructuring accruals are expected to be paid within the next 12 months and are included within accrued expenses and other current liabilities in the consolidated balance sheets.

In the second quarter of 2024, we announced plans to close two manufacturing facilities, located in Vista, California and Hawkins, Wisconsin in a continuing effort to simplify our footprint and drive operational efficiencies. As of March 29, 2025, the remaining restructuring accrual for these plans is \$0.3 million and the remaining cash outlay is expected to be \$4.1 million. We are substantially complete with the facility closures as of March 29, 2025.

Costs and cash outlays associated with the plans:

North America: Vista, California (Vista Composite Facility) and Hawkins, Wisconsin

(amounts in thousands)	Total Estimated Costs	Cumulative Costs to-date	Costs in the Three Months Ended	
			March 29, 2025	March 30, 2024
Restructuring severance and employee-related charges, net ⁽¹⁾	\$ 7,000	\$ 6,986	\$ 161	\$ 8,820
Other restructuring associated costs ⁽¹⁾	7,000	4,564	53	—
Product-related cash charges ⁽²⁾	6,100	6,119	134	—
Total cash charges	\$ 20,100	\$ 17,669	\$ 348	\$ 8,820
Asset-related charges	12,300	12,261	—	—
Inventory and other product-related non-cash charges	3,700	3,706	—	—
Total non-cash charges	16,000	15,967	—	—
Total costs	\$ 36,100	\$ 33,636	\$ 348	\$ 8,820
Total cash outlays ⁽³⁾	\$ 26,600	\$ 22,527	\$ 675	\$ —

- (1) The charges incurred in the three months ended March 29, 2025, were included in restructuring and asset-related charges, net in the accompanying consolidated statements of operations.
- (2) The product-related cash charges incurred in the three months ended March 29, 2025, were detrimental to net sales in the accompanying consolidated statement of operations.
- (3) Total cash outlays include \$5.5 million of cash payments related to debt repayment for financed equipment.

During 2023 and 2024, we announced plans to transform our European operations by changing the operating structure, eliminating certain roles and rationalizing our manufacturing footprint. We plan to close two manufacturing facilities and transfer production to other facilities within Europe. During the three months ended March 29, 2025, we announced additional plans, increasing the total estimated costs by approximately \$2.9 million to \$27.0 million, after identifying additional opportunities to optimize our European operating structure. As of March 29, 2025, the remaining restructuring accrual for these plans is \$3.0 million and the remaining cash outlay is expected to be \$5.1 million. We expect to substantially complete these initiatives by the end of 2025.

Costs and cash outlays associated with the plans:

Europe

(amounts in thousands)	Total Estimated Costs	Cumulative Costs to-date	Costs in the Three Months Ended	
			March 29, 2025	March 30, 2024
Restructuring severance and employee-related charges ⁽¹⁾	\$ 21,100	\$ 19,321	\$ 1,956	\$ 3,469
Other restructuring associated costs ⁽¹⁾	5,300	5,182	33	486
Total cash charges	\$ 26,400	\$ 24,503	\$ 1,989	\$ 3,955
Asset-related non-cash charges	600	573	—	—
Total costs	\$ 27,000	\$ 25,076	\$ 1,989	\$ 3,955
Total cash outlays	\$ 26,400	\$ 21,300	\$ 3,100	\$ 2,816

- (1) The charges incurred in the three months ended March 29, 2025 and March 30, 2024, were included in restructuring and asset-related charges in the accompanying consolidated statements of operations.

In the third quarter of 2024, we announced plans to close two additional manufacturing facilities in Europe as part of our footprint rationalization activities. As of March 29, 2025, the remaining restructuring accrual for these plans is \$0.7 million and the remaining cash outlay is expected to be \$7.5 million. We expect to substantially complete the facility closures by the end of 2026.

Costs and cash outlays associated with the plans:

<u>(amounts in thousands)</u>	Total Estimated Costs	Cumulative Costs to-date	Costs in the Three Months Ended	
			March 29, 2025	
Restructuring severance and employee-related charges ⁽¹⁾	\$ 3,200	\$ 2,037	\$ (105)	
Other restructuring associated costs ⁽¹⁾	7,400	1,763	1,098	
Total cash charges	\$ 10,600	\$ 3,800	\$ 993	
Asset-related non-cash charges ⁽¹⁾	1,700	1,003	166	
Total costs	\$ 12,300	\$ 4,803	\$ 1,159	
Total cash outlays	\$ 10,600	\$ 3,100	\$ 1,500	

(1) The charges incurred in the three months ended March 29, 2025, were included in restructuring and asset-related charges in the accompanying consolidated statement of operations.

During 2023, we announced plans to close two manufacturing facilities, located in Tijuana, Mexico and Vista, California as part of our footprint rationalization activities. As of March 29, 2025, the remaining restructuring accrual for these plans is \$0.4 million and the remaining cash outlay is expected to be \$0.5 million. We were substantially complete with the facility closures at the end of 2024.

Costs and cash outlays associated with the plans:

<u>(amounts in thousands)</u>	Total Estimated Costs	Cumulative Costs to-date	Costs in the Three Months Ended	
			March 29, 2025	March 30, 2024
Restructuring severance and employee-related charges ⁽¹⁾	\$ 7,800	\$ 7,638	\$ 7	\$ (325)
Other restructuring associated costs ⁽¹⁾	2,700	2,645	12	1,622
Total cash charges	\$ 10,500	\$ 10,283	\$ 19	\$ 1,297
Asset-related charges ⁽¹⁾	6,600	6,628	—	2,919
Inventory and other product-related non-cash charges	1,500	1,466	—	—
Total non-cash charges	8,100	8,094	—	2,919
Total costs	\$ 18,600	\$ 18,377	\$ 19	\$ 4,216
Total cash outlays	\$ 10,400	\$ 9,943	\$ 12	\$ 2,089

(1) The charges incurred in the three months ended March 29, 2025 and March 30, 2024, were included in restructuring and asset-related charges in the accompanying consolidated statements of operations.

In the third quarter of 2024, we announced to employees a restructuring plan to close a manufacturing facility in Wedowee, Alabama in a continuing effort to simplify our footprint and drive operational efficiencies. We are substantially complete with the facility closure as of March 29, 2025.

Costs and cash outlays associated with the plans:

<u>North America: Wedowee, Alabama</u>	Costs in the Three Months Ended		
(amounts in thousands)	Total Estimated Costs	Cumulative Costs to-date	March 29, 2025
Restructuring severance and employee-related charges ⁽¹⁾	\$ 1,100	\$ 1,094	\$ 108
Other restructuring associated costs ⁽¹⁾	600	537	288
Total cash charges	\$ 1,700	\$ 1,631	\$ 396
Inventory non-cash charges	2,100	2,112	—
Total costs	\$ 3,800	\$ 3,743	\$ 396
Total cash outlays	\$ 1,700	\$ 1,631	\$ 519

(1) The charges incurred in the three months ended March 29, 2025, were included in restructuring and asset-related charges in the accompanying consolidated statement of operations.

In the first quarter of 2025, we announced to employees a restructuring plan to close two manufacturing facilities, located in Grinnell, Iowa and Coppell, Texas in a continuing effort to simplify our footprint and drive operational efficiencies. As of March 29, 2025, the remaining restructuring accrual for this plan is \$4.3 million and the remaining cash outlay is expected to be \$5.1 million. We expect to substantially complete the facility closures by the second quarter of 2025.

Costs and cash outlays associated with the plans:

<u>North America: Grinnell, Iowa and Coppell, Texas</u>	Costs in the Three Months Ended		
(amounts in thousands)	Total Estimated Costs	Cumulative Costs to-date	March 29, 2025
Restructuring severance and employee-related charges ⁽¹⁾	\$ 8,100	\$ 8,101	\$ 6,923
Other restructuring associated costs ⁽¹⁾	1,100	339	268
Total cash charges	\$ 9,200	\$ 8,440	\$ 7,191
Inventory non-cash charges ⁽²⁾	1,300	1,230	1,121
Total costs	\$ 10,500	\$ 9,670	\$ 8,312
Total cash outlays	\$ 9,200	\$ 4,133	\$ 2,885

(1) The charges incurred in the three months ended March 29, 2025, were included in restructuring and asset-related charges in the accompanying consolidated statement of operations.

(2) The inventory and other product-related non-cash charges in the three months ended March 29, 2025, were included in cost of sales in the accompanying consolidated statement of operations.

Note 17. Held for Sale

During 2021, the Company ceased the appeal process for its litigation with Steves further described in Note 21 - *Commitments and Contingencies*. As a result, we were required to divest Towanda. Effective January 17, 2025, pursuant to an order issued by the United States District Court for the Eastern District of Virginia, Richmond Division, and the previously announced Asset Purchase Agreement, JWI completed the sale of Towanda.

As of December 31, 2024, the assets and liabilities associated with the court-ordered divestiture of Towanda qualified as held for sale and were included in assets held for sale and liabilities held for sale in the accompanying consolidated balance sheets.

(amounts in thousands)	December 31, 2024	
Assets:		
Accounts receivable, net	\$	9,072
Inventories		16,319
Other current assets		84
Property and equipment, net		64,661
Intangible assets, net		1,471
Goodwill		33,644
Operating lease assets, net		2,411
Allowance to reduce assets to estimated fair value, less costs to sell		(750)
Assets held for sale	\$	126,912
Liabilities:		
Accounts payable	\$	7,431
Accrued payroll and benefits		1,013
Accrued expenses and other current liabilities		5,959
Operating lease liability		905
Liabilities held for sale	\$	15,308

Note 18. Other Income, Net

The table below summarizes the amounts included in other income, net in the accompanying consolidated statements of operations:

(amounts in thousands)	Three Months Ended	
	March 29, 2025	March 30, 2024
Cash received on real estate investments	\$ (7,567)	\$ —
Income from refund of deposits for China antidumping and countervailing duties ⁽¹⁾	(2,859)	(2,947)
Pension expense	867	515
Gain on commodity derivatives	(361)	—
Foreign currency gains, net	(209)	(1,467)
Governmental assistance	(3)	(657)
Cash received on impaired notes	—	(3,537)
JW Australia Transition Services Agreements cost recovery	—	(4,140)
Insurance reimbursement	—	(1,655)
Other items, net	(454)	(375)
Total other income, net	\$ (10,586)	\$ (14,263)

(1) Represents the refund of deposits for antidumping and countervailing duties on wood mouldings and millwork products purchased from China from 2020 to 2023.

Note 19. Derivative Financial Instruments

Foreign currency derivatives not designated as hedges – As a multinational corporation, we are exposed to the impact of foreign currency fluctuations. To the extent borrowings, sales, purchases, or other transactions are not executed in the local currency of the operating unit, we are exposed to foreign currency risk. In most of the countries in which we operate, the exposure to foreign currency movements is limited because the operating revenues and expenses of our business units are substantially denominated in the local currency. To mitigate the exposure, we may enter into a variety of foreign currency derivative contracts. To manage the effect of exchange fluctuations on certain intercompany transactions and intercompany loans and interest that are denominated in foreign currencies, we have foreign currency derivative contracts with a total notional amount of \$182.2 million as of March 29, 2025. We do not use derivative financial instruments for trading or speculative purposes. We record mark-to-market changes in the values of these derivatives in other income, net. We recorded mark-to-market losses of \$0.8 million and gains of \$1.7 million relating to foreign currency derivatives in the three months ended March 29, 2025 and March 30, 2024, respectively.

Foreign currency derivatives designated as cash flow hedges – At the end of 2024 we implemented a hedging program to manage the potential changes in value associated with the amounts payable on raw material purchases that are denominated in foreign currencies to minimize the impact of the changes in foreign currencies. We have foreign currency derivative contracts, which qualify as cash flow hedges, with a total notional amount of \$125.5 million. We record gains and losses for these contracts in AOCL to the extent that these hedges are effective and until we recognize the underlying transactions in net earnings, at which time we recognize these gains and losses in cost of sales on our consolidated statements of operations.

No portion of these derivative contracts were deemed ineffective during the three months ended March 29, 2025. In other comprehensive income (loss), we recorded pre-tax mark-to-market losses of \$1.6 million for the three months ended March 29, 2025. We reclassified nominal gains previously recorded in other comprehensive income (loss) to cost of sales during the three months ended March 29, 2025.

As of March 29, 2025, approximately \$1.6 million in losses is expected to be reclassified to earnings over the next 12 months.

Commodity derivatives not designated as hedges – As part of our operations, we are exposed to the price changes of certain commodities used in the production of some of our finished products. To limit the effects of fluctuations in the future market price paid, the Company has entered into non-designated derivative contracts to manage the cost of anticipated purchases. We have commodity forward swap contracts with a total notional amount of \$3.9 million as of March 29, 2025. We do not use derivative financial instruments for trading or speculative purposes. We record mark-to-market changes in the values of these derivatives in other income, net. We recorded mark-to-market gains of \$0.4 million relating to commodity derivatives in the three months ended March 29, 2025.

Commodity derivatives designated as cash flow hedges – As part of our operations, we are exposed to the price changes of certain commodities used in the production of some of our finished products. To limit the effects of fluctuations in the future market price paid and related volatility in cash flows, the Company enters into commodity forward swap contracts. These contracts are designated as cash flow hedges; therefore, the related gains or losses are reported in AOCL and reclassified into earnings, to cost of sales, in the periods in which the hedged transactions affect earnings. We have commodity derivative contracts, which qualify as cash flow hedges, with a total notional amount of \$6.0 million.

No portion of these derivative contracts were deemed ineffective during the three months ended March 29, 2025. In other comprehensive income (loss), we recorded pre-tax mark-to-market gains of \$0.2 million for the three months ended March 29, 2025. We reclassified nominal gains previously recorded in other comprehensive income (loss) to cost of sales during the three months ended March 29, 2025.

As of March 29, 2025, approximately \$0.2 million in gains is expected to be reclassified to earnings over the next 12 months.

Interest rate derivatives – We are exposed to interest rate risk in connection with our variable rate long-term debt. In February 2024, we entered into interest rate collar agreements with a cap rate of 4.50% paid against one-month USD-SOFR CME Term floored at 3.982% and 3.895% with outstanding notional amounts aggregating to \$100.0 million corresponding to that amount of the debt outstanding under our Term Loan Facility. The interest rate collar agreements were designated as cash flow hedges of a portion of the interest obligations on our Term Loan Facility borrowings and are set to mature in February 2026.

No portion of these interest rate contracts were deemed ineffective during the three months ended March 29, 2025. In other comprehensive income (loss), we recorded pre-tax mark-to-market losses of \$0.2 million and gains of \$0.4 million during the three months ended March 29, 2025 and March 30, 2024, respectively. There were no gains or losses previously recorded in other comprehensive income (loss) that were reclassified to interest income during the three months ended March 29, 2025. We reclassified gains of \$0.1 million previously recorded in other comprehensive income (loss) to interest income during the three months ended March 30, 2024.

As of March 29, 2025, approximately \$0.1 million in gains is expected to be reclassified to earnings over the next 12 months.

The fair values of derivative instruments held are as follows:

		Derivative assets		
(amounts in thousands)	Balance Sheet Location	March 29, 2025	December 31, 2024	
Derivatives designated as hedging instruments:				
Foreign currency forward contracts	Other current assets	\$ 4,670	\$	469
Commodity contracts	Other current assets	201		—
Derivatives not designated as hedging instruments:				
Foreign currency forward contracts	Other current assets	\$ 858	\$	1,302
Commodity contracts	Other current assets	289		—

		Derivative liabilities		
(amounts in thousands)	Balance Sheet Location	March 29, 2025	December 31, 2024	
Derivatives designated as hedging instruments:				
Foreign currency forward contracts	Accrued expenses and other current liabilities	\$ 6,189	\$	135
Interest rate contracts	Accrued expenses and other current liabilities	185		101
Interest rate contracts	Deferred credits and other liabilities	—		36
Commodity contracts	Accrued expenses and other current liabilities	—		185
Derivatives not designated as hedging instruments:				
Foreign currency forward contracts	Accrued expenses and other current liabilities	\$ 2,764	\$	2,411
Commodity contracts	Accrued expenses and other current liabilities	—		73

Note 20. Fair Value of Financial Instruments

We record financial assets and liabilities at fair value based on FASB guidance related to fair value measurements. The guidance requires fair value to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Three levels of inputs may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Quoted market-based inputs or unobservable inputs that are corroborated by market data.

Level 3 – Unobservable inputs that are not corroborated by market data.

The recorded carrying amounts and fair values of these instruments were as follows:

		March 29, 2025				
(amounts in thousands)	Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3	
Assets:						
Cash equivalents	\$ 62,171	\$ 62,171	\$ 62,171	\$ —	\$ —	\$ —
Derivative assets, recorded in other current assets	6,018	6,018	—	6,018		—
Deferred compensation plan assets, recorded in other assets	5,043	5,043	—	5,043		—
Liabilities:						
Debt, recorded in long-term debt and current maturities of long-term debt	\$ 1,190,333	\$ 1,124,976	\$ —	\$ 1,124,976	\$ —	\$ —
Derivative liabilities, recorded in accrued expenses and other current liabilities	9,138	9,138	—	9,138		—

(amounts in thousands)	December 31, 2024				
	Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Assets:					
Cash equivalents	\$ 53,935	\$ 53,935	\$ 53,935	\$ —	\$ —
Derivative assets, recorded in other current assets	1,771	1,771	—	1,771	—
Deferred compensation plan assets, recorded in other assets	5,074	5,074	—	5,074	—
Liabilities:					
Debt, recorded in long-term debt and current maturities of long-term debt	\$ 1,191,959	\$ 1,145,817	\$ —	\$ 1,145,817	\$ —
Derivative liabilities, recorded in accrued expenses and other current liabilities	2,905	2,905	—	2,905	—
Derivative liabilities, recorded in deferred credits and other liabilities	36	36	—	36	—

Derivative assets and liabilities reported in level 2 primarily include: (1) as of March 29, 2025, foreign currency derivative contracts, commodity derivative contracts and interest rate collar agreements; (2) as of December 31, 2024, foreign currency derivative contracts and interest rate collar agreements. Refer to Note 19 - *Derivative Financial Instruments* for more information about our derivative assets and liabilities.

Deferred compensation plan assets reported in level 2 consist of mutual funds and corporate-owned life insurance.

There are no material non-financial assets or liabilities as of March 29, 2025 or December 31, 2024.

Note 21. Commitments and Contingencies

Litigation – We are involved in various legal proceedings, claims, and government audits arising in the ordinary course of business. We record our best estimate of a loss when the loss is considered probable, and the amount of such loss can be reasonably estimated. When a loss is probable and there is a range of estimated loss with no best estimate within the range, we record the minimum estimated liability related to the lawsuit or claim. As additional information becomes available, we reassess the potential liability and revise our accruals, if necessary. Because of uncertainties related to the resolution of lawsuits and claims, the ultimate outcome may differ materially from our estimates.

Other than the matters described below, there were no proceedings or litigation matters involving the Company or its property as of March 29, 2025, that we believe would have a material adverse effect on our consolidated financial position or cash flows, although they could have a material adverse effect on our operating results for a particular reporting period.

Steves & Sons, Inc. v JELD-WEN, Inc. – We sell molded door skins to certain customers pursuant to long-term contracts, and these customers in turn use the molded door skins to manufacture interior doors and compete directly against us in the marketplace. We gave notice of termination of one of these contracts and, on June 29, 2016, the counterparty to the agreement, Steves filed a claim against JWI in the U.S. District Court for the Eastern District of Virginia, Richmond Division (the “Eastern District of Virginia”). The complaint alleged that our acquisition of CMI, a competitor in the molded door skins market, together with subsequent price increases and other alleged acts and omissions, violated antitrust laws, and constituted a breach of contract and breach of warranty. Specifically, the complaint alleged that our acquisition of CMI substantially lessened competition in the molded door skins market. The complaint sought declaratory relief, ordinary and treble damages, and injunctive relief, including divestiture of certain assets acquired in the CMI acquisition.

In February 2018, a jury in the Eastern District of Virginia returned a verdict that was unfavorable to JWI with respect to Steves’ claims that our acquisition of CMI violated Section 7 of the Clayton Act and found that JWI breached the supply agreement between the parties (the “Original Action”). The verdict awarded Steves \$12.2 million for past damages under both the Clayton Act and breach of contract claims and \$46.5 million in future lost profits under the Clayton Act claim.

During the course of the proceedings in the Eastern District of Virginia, we discovered certain facts that led us to conclude that Steves, its principals, and certain former employees of the Company had misappropriated Company trade secrets, violated the terms of various agreements between the Company and those parties, and violated other laws. On May 11, 2018, a jury in the Eastern District of Virginia returned a verdict on our trade secrets claims against Steves and awarded damages in the amount of \$1.2 million. The presiding judge entered a judgment in our favor for those damages, and the entire amount has been paid by Steves. On August 16, 2019, the presiding judge granted Steves’ request for an injunction, prohibiting us from pursuing certain claims against individual defendants pending in Bexar County, Texas (the “Steves Texas Trade Secret Theft Action”). On September 11, 2019, JWI filed a notice of appeal of the Eastern District of Virginia’s injunction to the Fourth Circuit Court of Appeals (the “Fourth Circuit”).

On March 13, 2019, the presiding judge entered an Amended Final Judgment Order in the Original Action, awarding \$36.5 million in past damages under the Clayton Act (representing a trebling of the jury’s verdict) and granted divestiture of certain assets acquired in the CMI acquisition, subject to appeal. The judgment also conditionally awarded damages in the event the judgment was overturned on appeal. Specifically, the court awarded \$139.4 million as future antitrust damages in the event the divestiture order was overturned on appeal and \$9.9 million as past contract damages in the event both the divestiture and antitrust claims were overturned on appeal.

On April 12, 2019, Steves filed a petition requesting an award of its fees and a bill of costs, seeking \$28.4 million in attorneys’ fees and \$1.7 million in costs in connection with the Original Action. On November 19, 2019, the presiding judge entered an order for further relief awarding Steves an additional \$7.1 million in damages for pricing differences from the date of the underlying jury verdict through May 31, 2019 (the “Pricing Action”). We also appealed that ruling. On April 14, 2020, Steves filed a motion for further supplemental relief for pricing differences from the date of the prior order and going forward through the end of the parties’ current supply agreement (the “Future Pricing Action”). We opposed that request for further relief.

JWI filed a supersedeas bond and notice of appeal of the judgment, which was heard by the Fourth Circuit on May 29, 2020. On February 18, 2021, the Fourth Circuit issued its decision on appeal in the Original Action, affirming the Amended Final Judgment Order in part and vacating and remanding in part. The Fourth Circuit vacated the Eastern District of Virginia’s alternative \$139.4 million lost-profits award, holding that award was premature because Steves has not suffered the purported injury on which its claim for future lost profits rests. The Fourth Circuit also vacated the Eastern District of Virginia’s judgment for Sam Steves, Edward Steves, and John Pierce on JWI’s trade secrets claims. The Fourth Circuit affirmed the Eastern District of Virginia’s finding of antitrust injury and its award of \$36.5 million in past antitrust damages. It also affirmed the Eastern District of Virginia’s divestiture order, while clarifying that JWI retains the right to challenge the terms of any divestiture, including whether a sale to any particular buyer will serve the public interest, and made clear that the Eastern District of Virginia may need to revisit its divestiture order if the special master who has been appointed by the presiding judge cannot locate a satisfactory buyer. JWI then filed a motion for rehearing en banc with the Fourth Circuit that was denied on March 22, 2021.

On May 1, 2024, JWI filed a motion to modify the Amended Final Judgment (the “Motion”) with the Eastern District of Virginia to vacate all court orders requiring divestiture of the Company’s Towanda operations and certain related assets (“Towanda”) in light of changed industry and market factors and conditions. The court-mandated divestiture process continued while the court reviewed the Motion. On October 25, 2024, the Special Master submitted a Report and Recommendation to the court recommending that the court approve the divestiture of Towanda to Woodgrain Inc. (“Woodgrain”) for approximately \$115 million, subject to customary closing adjustments. On November 14, 2024, JWI and Steves each filed certain objections to the Report and Recommendation. On December 13, 2024, the court adopted the Special Master’s Report and Recommendation, denying JWI’s Motion, overruling JWI’s objections, and sustaining in part and overruling in part Steves’ objections. The court-ordered divestiture closed on January 17, 2025. On February 6, 2025, JELD-WEN filed a notice of appeal.

During the pendency of the Original Action, on February 14, 2020, Steves filed a complaint and motion for preliminary injunction in the Eastern District of Virginia alleging that we breached the long-term supply agreement between the parties, including, among other claims, by incorrectly calculating the allocation of door skins owed to Steves (the “Allocation Action”). Steves sought an additional allotment of door skins and damages for violation of antitrust laws, tortious interference, and breach of contract. On April 10, 2020, the presiding judge granted Steves’ motion for preliminary injunction, and the parties settled the issues underlying the preliminary injunction on April 30, 2020, and the Company reserved the right to appeal the ruling in the Fourth Circuit. The Company believed all the claims lacked merit and moved to dismiss the antitrust and tortious interference claims.

On June 2, 2020, we entered into a settlement agreement with Steves to resolve the Pricing Action, the Future Pricing Action, and the Allocation Action. As a result of the settlement, Steves filed a notice of satisfaction of judgment in the Pricing Action, withdrew its Future Pricing Action with prejudice, and filed a stipulated dismissal with prejudice in the Allocation Action. The Company also withdrew its appeal of the Pricing Action. The parties agreed to bear their own respective attorneys’ fees and costs in these actions. In partial consideration of the settlement, JWI and Steves entered into an amended supply agreement satisfactory to both parties that, by its terms, ended on September 10, 2021. This settlement had no effect on the Original Action between the parties except to agree that certain specific terms of the Amended Final Judgment Order in the Original Action would apply to the amended supply agreement during the pendency of the appeal of the Original Action. On April 2, 2021, JWI and Steves filed a stipulation regarding the amended supply agreement in the Original Action, stating that regardless of whether the case remains on appeal as of September 10, 2021, and absent further order of the court, the amended supply agreement would be extended until the divestiture of Towanda is complete and Steves’ new supply agreement with the company that acquires Towanda is in effect.

We continue to believe the claims in the settled actions lacked merit and made no admission of liability in these matters.

On October 7, 2021, we entered into a settlement agreement with Steves to resolve the following: (i) Steves' past and any future claims for attorneys' fees, expenses, and costs in connection with the Original Action, except that Steves and JWI each reserved the right to seek attorneys' fees arising out of any challenge of the divestiture process or the final divestiture order; (ii) the Steves Texas Trade Secret Theft Action and the related Fourth Circuit appeal of the Eastern District of Virginia's injunction in the Original Action; (iii) the past damages award in the Original Action; and (iv) any and all claims and counterclaims, known or unknown, that were asserted or could have been asserted against each other from the beginning of time through the date of the settlement agreement. As a result of the settlement, the parties filed a stipulated notice of satisfaction of the past antitrust damages judgment and a stipulated notice of settlement of Steves' claim for attorneys' fees, expenses, and costs against JWI in the Original Action, and Steves filed a notice of withdrawal of its motion for attorneys' fees and expenses and bill of costs in the Original Action. The Company also filed a notice of dismissal with prejudice and agreed to take no judgment in the Steves Texas Trade Secret Theft Action, and the parties filed a joint agreement for dismissal of the injunction appeal in the Fourth Circuit. On November 3, 2021, we paid \$66.4 million to Steves under the settlement agreement.

In re JELD-WEN Holding, Inc. Derivative Litigation – On February 2, 2021, Jason Aldridge, on behalf of the Company, filed a derivative action in the U.S. District Court for the District of Delaware against certain current and former executives and directors of the Company, alleging that the individual defendants breached their fiduciary duties by allowing the wrongful acts alleged in the Steves and Cambridge actions, as well as violations of Section 14(a) and 20(a) of the Exchange Act, unjust enrichment, and waste of corporate assets among other allegations (the "Aldridge Action"). The lawsuit sought compensatory damages, equitable relief, and an award of attorneys' fees and costs. The plaintiff filed an amended complaint on May 10, 2021.

On June 21, 2021, prior to a response from the Company in the Aldridge Action, Shieta Black and the Board of Trustees of the City of Miami General Employees' & Sanitation Employees' Retirement Trust, on behalf of the Company, filed a derivative action in the U.S. District Court for the District of Delaware against certain current and former executives and directors of the Company and Onex, alleging that the defendants breached their fiduciary duties by allowing the wrongful acts alleged in the Steves and Cambridge actions, as well as insider trading, and unjust enrichment among other allegations (the "Black Action"). The lawsuit sought compensatory damages, corporate governance reforms, restitution, equitable relief, and an award of attorneys' fees and costs. The court granted the Black and Aldridge plaintiffs in motion to consolidate the lawsuits on July 16, 2021.

On June 20, 2022, the parties entered into a settlement agreement of the consolidated matters, which was approved by the Court on approval of the December 20, 2022, and the cases were dismissed with prejudice. In January 2023, the Company, as putative plaintiff, received approximately \$10.5 million after attorneys' fees and costs were deducted as part of the settlement.

Canadian Antitrust Litigation – On May 15, 2020, Développement Émeraude Inc., on behalf of itself and others similarly situated, filed a putative class action lawsuit against the Company and Masonite in the Superior Court of the Province of Quebec, Canada, which was served on us on September 18, 2020 ("the Quebec Action"). The putative class consists of any person in Canada who, since October 2012, purchased one or more interior molded doors from the Company or Masonite. The suit alleges an illegal conspiracy between the Company and Masonite to agree on prices, the distribution of market shares and/or the production levels of interior molded doors and that the plaintiffs suffered damages in that they were charged and paid higher prices for interior molded doors than they would have had to pay but for the alleged anti-competitive conduct. The plaintiffs are seeking compensatory and punitive damages, attorneys' fees and costs. On September 9, 2020, Kate O'Leary Swinkels, on behalf of herself and others similarly situated, filed a putative class action against the Company and Masonite in the Federal Court of Canada, which was served on us on September 29, 2020 (the "Federal Court Action"). The Federal Court Action makes substantially similar allegations to the Quebec Action and the putative class is represented by the same counsel. In February 2021, the plaintiff in the Federal Court Action issued a proposed Amended Statement of Claim that replaced the named plaintiff, Kate O'Leary Swinkels, with David Regan. The plaintiff has sought a stay of the Quebec Action while the Federal Court Action proceeds. On July 14, 2023, the Company entered into an agreement in principle with class counsel to resolve both actions for an immaterial amount, which the Company recorded in the second quarter of 2023. A formal settlement agreement was executed as of March 27, 2024, and remains subject to court approval. The Company continues to believe the plaintiffs' claims lack merit and denies any liability or wrongdoing for the claims made against the Company.

We have evaluated the claims against us and recorded provisions based on management's judgment about the probable outcome of the litigation and have included our estimates in accrued expenses in the accompanying balance sheets. Refer to Note 8 - *Accrued Expenses and Other Current Liabilities* for more information. While we expect a favorable resolution to these matters, the dispute resolution process could be lengthy, and if the plaintiffs were to prevail completely or substantially in the respective matters described above, such an outcome could have a material adverse effect on our operating results, consolidated financial position, or cash flows.

Self-Insured Risk – We self-insure substantially all our domestic business liability risks including general liability, product liability, warranty, personal injury, auto liability, workers’ compensation, and employee medical benefits. Excess insurance policies from independent insurance companies generally cover exposures between \$5.0 million and \$200.0 million for domestic product liability risk and exposures between \$3.0 million and \$200.0 million for auto, general liability, personal injury, and workers’ compensation. We estimate our provision for self-insured losses based upon an evaluation of current claim exposure and historical loss experience. Actual self-insurance losses may vary significantly from these estimates. At March 29, 2025 and December 31, 2024, our accrued liability for self-insured risks was \$79.5 million and \$83.3 million, respectively.

Indemnifications – At March 29, 2025, we had commitments related to certain representations made in contracts for sale of businesses or property, including the divestiture of JW Australia and the court-ordered divestiture of Towanda. Our indemnity obligations under the relevant agreements may be limited in terms of time, amount or scope. These representations primarily relate to past actions such as responsibility for transfer taxes if they should be claimed, and the adequacy of recorded liabilities, warranty matters, employment benefit plans, income tax matters, or environmental exposures. As it relates to certain income tax related liabilities, the relevant agreements may not provide any cap for such liabilities, and the period in which we would be liable would lapse upon expiration of the statute of limitation for assessment of the underlying taxes. Because of the conditional nature of these obligations and the unique facts and circumstances involved in each particular agreement, we are unable to reasonably estimate the potential maximum exposure associated with these items. We are not aware of any material amounts claimed or expected to be claimed under these indemnities.

From time to time and in limited geographic areas, we have entered into agreements for the sale of our products to certain customers that provide additional indemnifications for liabilities arising from construction or product defects. We cannot estimate the potential magnitude of such exposures, but to the extent specific liabilities have been identified related to product sales, liabilities have been provided in the warranty accrual in the accompanying consolidated balance sheets.

Other Financing Arrangements – At times we are required to provide letters of credit, surety bonds, or guarantees to meet various performance, legal, warranty, environmental, workers compensation, licensing, utility, and governmental requirements. Stand-by letters of credit are provided to certain customers and counterparties in the ordinary course of business as credit support for contractual performance guarantees, advanced payments received from customers, and future funding commitments. The stated values of these letters of credit agreements, surety bonds, and guarantees were \$62.7 million and \$70.3 million at March 29, 2025 and December 31, 2024, respectively.

Environmental Contingencies – We periodically incur environmental liabilities associated with remediating our current and former manufacturing sites as well as penalties for not complying with environmental rules and regulations. We record a liability for remediation costs when it is probable that we will be responsible for such costs and the costs can be reasonably estimated. These environmental liabilities are estimated based on current available facts and current laws and regulations. Accordingly, it is likely that adjustments to the estimated liabilities will be necessary as additional information becomes available. Short-term environmental liabilities and settlements are recorded in accrued expenses and other current liabilities in the accompanying consolidated balance sheets and totaled \$0.1 million at December 31, 2024. There were no short-term environmental liabilities and settlements recorded at March 29, 2025. Long-term environmental liabilities are recorded in deferred credits and other liabilities in the accompanying consolidated balance sheets and totaled \$11.8 million at March 29, 2025 and December 31, 2024.

Everett, Washington WADOE Action – In 2007, we were identified by the WADOE as a PLP with respect to our former manufacturing site in Everett, Washington. In 2008, we entered into an Agreed Order with the WADOE to assess historic environmental contamination and remediation feasibility at the site. As part of the order, we agreed to develop a CAP, arising from the feasibility assessment. In December 2020, we submitted to the WADOE a draft feasibility assessment with an array of remedial alternatives, which we considered substantially complete. During 2021, several comment rounds were completed as well as the identification of the Port of Everett and W&W Everett Investment LLC as additional PLPs, with respect to this matter with each PLP being jointly and severally liable for the cleanup costs. The WADOE received the final feasibility assessment on December 31, 2021, containing various remedial alternatives with its preferred remedial alternatives totaling \$23.4 million. Based on this study, we determined our range of possible outcomes to be \$11.8 million to \$33.4 million. On March 1, 2022, we delivered a draft CAP consistent with the preferred alternatives which was approved by WADOE in August 2023. The existing Agreed Order of 2008 was also modified with WADOE in July 2023 to support the development of the associated CAP investigation, sampling and design components. With additional information gathered from the CAP investigation during 2024, we determined the total range of possible remediation cost outcomes to be between \$17.4 million to \$33.6 million. We retained a provision of \$11.8 million within our financial statements which considers the range of possible outcome costs and potential allocation of the responsibility between the identified PLPs, both of which could vary materially from our estimates.

Towanda, Pennsylvania Consent Order – In December 2020, we entered into a COA with the PaDEP to remove a pile of wood fiber waste from our site in Towanda, Pennsylvania, which we acquired in connection with our acquisition of CMI in 2012, by using it as fuel for a boiler at that site. The COA replaced a 2018 Consent Decree between the Company and PaDEP. Under the COA, we are required to achieve certain periodic removal objectives and ultimately remove the entire pile by August 31, 2025. As of December 31, 2024, there was \$1.4 million in bonds posted in connection with these obligations. Failure to remove the pile by August 31, 2025, would have resulted in forfeiture of the bonds and penalties by PaDEP. During December 2024, we removed the wood fiber waste pile from the site and our removal obligations under the COA closed.

Note 22. Supplemental Cash Flow Information

(amounts in thousands)	Three Months Ended	
	March 29, 2025	March 30, 2024
Cash Operating Activities:		
Operating leases	\$ 12,403	\$ 13,144
Interest payments on financing lease obligations	194	110
Cash paid for amounts included in the measurement of lease liabilities	<u>\$ 12,597</u>	<u>\$ 13,254</u>
Cash Investing Activities:		
Purchases of securities for deferred compensation plan	(273)	(2,112)
Change in securities for deferred compensation plan	<u>\$ (273)</u>	<u>\$ (2,112)</u>
Cash received on notes receivable	7	—
Change in notes receivable	<u>\$ 7</u>	<u>\$ —</u>
Non-cash Investing Activities:		
Property, equipment and intangibles purchased in accounts payable	\$ 7,417	\$ 9,956
Property, equipment and intangibles purchased with debt	2,653	1,617
Customer accounts receivable converted to notes receivable	3	—
Cash Financing Activities:		
Borrowings on long-term debt	\$ —	\$ 1,279
Payments of long-term debt	(5,254)	(8,791)
Payments of debt issuance and extinguishment costs, including underwriting fees	(810)	(198)
Change in long-term debt and payments of debt extinguishment costs	<u>\$ (6,064)</u>	<u>\$ (7,710)</u>
Cash paid for amounts included in the measurement of finance lease liabilities	\$ 284	\$ 591
Non-cash Financing Activities:		
Debt issuance costs in accounts payable	\$ 245	\$ —
Shares surrendered for tax obligations for employee share-based transactions in accrued liabilities	623	—
Accounts payable converted to installment notes	—	5
Other Supplemental Cash Flow Information:		
Cash taxes paid, net of refunds	\$ 8,805	\$ 9,760
Cash interest paid	17,209	11,933

Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations

This MD&A contains forward-looking statements that involve risks and uncertainties. Please see the "Forward-Looking Statements" section above for a discussion of the uncertainties, risks and assumptions associated with these statements. This discussion should be read in conjunction with our unaudited financial statements and related notes thereto and the other disclosures contained elsewhere in this Form 10-Q, and our audited financial statements and related notes and MD&A included in our Form 10-K. The results of operations for the periods reflected herein are not necessarily indicative of results that may be expected for future periods, and our actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including but not limited to those listed under Item 1A – *Risk Factors* in our Form 10-K and Form 10-Q, and included elsewhere in this Form 10-Q.

This MD&A is a supplement to our unaudited financial statements and notes thereto included elsewhere in this Form 10-Q and is provided to enhance your understanding of our results of operations and financial condition. Our discussion of the results of operations is presented in millions throughout MD&A and due to rounding may not sum or calculate precisely to the totals and percentages provided in the tables. Our MD&A is organized as follows:

- **Company Overview.** This section provides a general description of our Company and reportable segments.
- **Consolidated Results of Operations and Operating Results by Business Segment.** This section provides our analysis and outlook for the significant line items on our consolidated statements of operations, as well as other information that we deem meaningful to an understanding of our results of operations on both a consolidated basis and a business segment basis.
- **Liquidity and Capital Resources.** This section contains an overview of our financing arrangements and provides an analysis of trends and uncertainties affecting liquidity, cash requirements for our business, and sources and uses of our cash.
- **Critical Accounting Policies and Estimates.** This section discusses the accounting policies that we consider important to the evaluation and reporting of our financial condition and results of operations, and whose application requires significant judgments or a complex estimation process.

Company Overview

We are a leading global designer, manufacturer, and distributor of high-performance interior and exterior doors, windows, and related building products, serving the new construction and R&R sectors.

We operate manufacturing and distribution facilities in 14 countries, located primarily in North America and Europe. For many product lines, our manufacturing processes are vertically integrated, enhancing our range of capabilities, our ability to innovate, and our quality control as well as providing supply chain, transportation, and working capital savings.

Business Segments

Our business is organized in geographic regions to ensure integration across operations serving common end markets and customers. We have two reportable segments: North America and Europe. Refer to Note 12 - *Segment Information* to our consolidated financial statements included in this Form 10-Q for more information about our segments.

Results of Operations

The tables in this section summarize key components of our results of operations for the periods indicated, both in U.S. dollars and as a percentage of our net revenues. Certain percentages presented in this section have been rounded to the nearest whole number. Accordingly, totals may not equal the sum of the line items in the tables below.

We present several financial metrics in "Core" terms, such as Core Revenues, which excludes the impact of foreign exchange, acquisitions and divestitures completed in the last twelve months. We believe Core Revenues assists management, investors, and analysts in understanding the organic performance of our operations.

Recent Developments

Macroeconomic Conditions and Tariffs

Due to changing market conditions, we are experiencing, and may continue to experience, lower demand for our products, a continued demand shift to entry level products, persistent inflation and elevated interest rates. Additionally, the Company is actively monitoring recent trade policy and tariff announcements, including various executive orders issued by the current U.S. presidential administration. Increased restrictions on global trade, including an increase in U.S. tariffs and any retaliatory responses thereto, could result in, among other things, increased input costs, supply chain disruptions, decreased consumer demand and volatility in foreign exchange rates and financial markets. We continue to analyze the impact of these actions and are working on the deployment of a mitigation strategy, including pricing, productivity and repositioning our supply chain to offset the impact of the tariff exposure. The uncertain and evolving market dynamics and global trade environment could have a material adverse effect on the Company's business, financial condition, and results of operations.

Comparison of the Three Months Ended March 29, 2025 to the Three Months Ended March 30, 2024

	Three Months Ended			
	March 29, 2025		March 30, 2024	
(amounts in thousands)		% of Net Revenues		% of Net Revenues
Net revenues	\$ 776,006	100.0 %	\$ 959,126	100.0 %
Cost of sales	663,923	85.6 %	786,546	82.0 %
Gross margin	112,083	14.4 %	172,580	18.0 %
Selling, general and administrative	144,767	18.7 %	182,804	19.1 %
Goodwill impairment	137,721	17.7 %	—	— %
Restructuring and asset-related charges	14,546	1.9 %	18,059	1.9 %
Operating loss	(184,951)	(23.8)%	(28,283)	(2.9)%
Interest expense, net	14,918	1.9 %	15,692	1.6 %
Loss on extinguishment and refinancing of debt	237	— %	1,449	0.2 %
Other income, net	(10,586)	(1.4)%	(14,263)	(1.5)%
Loss before taxes	(189,520)	(24.4)%	(31,161)	(3.2)%
Income tax expense (benefit)	618	0.1 %	(3,431)	(0.4)%
Net loss	\$ (190,138)	(24.5)%	\$ (27,730)	(2.9)%

Consolidated Results

Net Revenues – Net revenues decreased \$183.1 million, or 19.1%, to \$776.0 million in the three months ended March 29, 2025, from \$959.1 million in the three months ended March 30, 2024. The decrease in net revenues was primarily driven by a decrease in Core Revenues of 15%, a decrease in net revenues from the court-ordered divestiture of Towanda of 3%, and an unfavorable foreign exchange impact of 1%. The decrease in Core Revenues was driven by a 16% decline in volume/mix, partially offset by a 1% benefit from price realization.

Gross Margin – Gross margin decreased \$60.5 million, or 35.1%, to \$112.1 million in the three months ended March 29, 2025, from \$172.6 million in the three months ended March 30, 2024. Gross margin as a percentage of net revenues was 14.4% in the three months ended March 29, 2025, and 18.0% in the three months ended March 30, 2024. The decrease in gross margin percentage was primarily due to a decremental impact of volume/mix and unfavorable productivity.

SG&A Expense – SG&A expense decreased \$38.0 million, or 20.8%, to \$144.8 million in the three months ended March 29, 2025, from \$182.8 million in the three months ended March 30, 2024. SG&A expense as a percentage of net revenues decreased to 18.7% in the three months ended March 29, 2025, from 19.1% in the three months ended March 30, 2024. The decrease in SG&A expense was primarily due to lower amortization expense resulting from accelerated amortization in the prior year for an ERP that we are no longer utilizing after we completed our related obligations under the JW Australia Transition Services Agreement during the first quarter of 2024, a decrease in professional fees, including non-recurring transformation journey expenses, lower salaries and benefits driven by a reduction in headcount, as well as lower advertising and promotion expenses.

Goodwill Impairment – Goodwill impairment charges of \$137.7 million in the three months ended March 29, 2025, relate to goodwill impairment charges associated with our North America reporting unit. Refer to Note 6 – *Goodwill* to our consolidated financial statements included in this Form 10-Q for more information.

Restructuring and Asset-Related Charges – Restructuring and asset-related charges decreased \$3.5 million, or 19.5% to \$14.5 million in the three months ended March 29, 2025, from \$18.1 million in the three months ended March 30, 2024. The decrease in restructuring charges was primarily due to a decrease in charges incurred to close certain manufacturing facilities in our North America and Europe segments and to transform the operating structure of our Europe segment. Refer to Note 16 - *Restructuring and Asset-Related Charges* to our consolidated financial statements included in this Form 10-Q for more information.

Interest Expense, Net – Interest expense, net, decreased \$0.8 million, or 4.9%, to \$14.9 million in the three months ended March 29, 2025, from \$15.7 million in the three months ended March 30, 2024. The decrease was primarily due to lower interest on the Term Loan Facility resulting from a partial repayment of principal during the third quarter of 2024 and lower interest rate in the current period, partially offset by the principal balance and higher interest rate on our Senior Notes issued during the third quarter of 2024 and maturing in 2032.

Loss on Extinguishment and Refinancing of Debt – The \$0.2 million loss on extinguishment and refinancing of debt during the three months ended March 29, 2025, is associated with an amendment of our ABL Facility. The loss on extinguishment and refinancing of debt of \$1.4 million in the three months ended March 30, 2024, is associated with an amendment of our Term Loan Facility. Refer to Note 10 - *Long-Term Debt* to our consolidated financial statements included in this Form 10-Q for more information.

Other Income, Net – Other income, net decreased \$3.7 million, or 25.8%, to \$10.6 million in the three months ended March 29, 2025, from \$14.3 million in the three months ended March 30, 2024. Other income, net in the three months ended March 29, 2025, consisted primarily of cash received on investment in real estate of \$7.6 million and income from the refund of deposits of China antidumping and countervailing duties of \$2.9 million, partially offset by pension expense of \$0.9 million. Other income, net in the three months ended March 30, 2024, consisted primarily of recovery of the JW Australia transition services costs incurred of \$4.1 million, cash received on impaired notes of \$3.5 million, income from the refund of deposits of China antidumping and countervailing duties of \$2.9 million, insurance reimbursements of \$1.7 million, and foreign currency gains of \$1.5 million. Refer to Note 18 - *Other Income, Net* to our consolidated financial statements included in this Form 10-Q for more information.

Income Taxes – Income tax expense was \$0.6 million in the three months ended March 29, 2025, compared to a \$3.4 million benefit in the three months ended March 30, 2024. The effective tax rate in the three months ended March 29, 2025, was (0.3)%. The effective tax rate for the three months ended March 29, 2025, was driven primarily by the \$14.2 million increase to valuation allowances on foreign and state NOL and credit carryforwards, \$9.8 million of tax benefit attributable to goodwill impairment and \$8.5 million of tax expense attributable to the court-ordered divestiture of Towanda. The effective tax rate in the three months ended March 30, 2024, was primarily driven by \$2.0 million of tax expense on uncertain tax positions from ongoing audits as well as losses for jurisdictions for which there is a full valuation allowance in the quarter. Refer to Note 11 - *Income Taxes* to our consolidated financial statements included in this Form 10-Q for more information.

Segment Results and Non-GAAP Reconciliations

We report our segment information in the same way management internally organizes the business in assessing performance and making decisions regarding allocation of resources in accordance with ASC 280-10 - *Segment Reporting*. We define Adjusted EBITDA as income (loss), net of tax, adjusted for the following items: income tax expense (benefit); depreciation and amortization; interest expense (income), net; and certain special items consisting of non-recurring net legal and professional expenses and settlements; goodwill impairment; restructuring and asset-related charges; M&A related costs; net (gain) loss on sale of business, property and equipment; loss on extinguishment and refinancing of debt; share-based compensation expense; non-cash foreign exchange transaction/translation (gain) loss; and other special items. We use Adjusted EBITDA because we believe this measure assists investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. This non-GAAP financial measure should be viewed in addition to, and not as a substitute for, the Company's reported results prepared in accordance with GAAP.

We have two reportable segments, organized and managed principally in geographic regions: North America and Europe. We report all other business activities in Corporate and unallocated costs.

Reconciliations of (loss) income, net of tax to Adjusted EBITDA by segment are as follows:

Three Months Ended March 29, 2025

(amounts in thousands)	North America	Europe	Corporate and Unallocated Costs	Total Consolidated
Loss, net of tax	\$ (161,242)	\$ (3,453)	\$ (25,443)	\$ (190,138)
Income tax expense (benefit)	9,350	1,907	(10,639)	618
Depreciation and amortization	17,325	7,565	2,405	27,295
Interest (income) expense, net	(641)	34	15,525	14,918
Special items: ⁽¹⁾				
Net legal and professional expenses and settlements	711	1,015	10,156	11,882
Goodwill impairment	137,721	—	—	137,721
Restructuring and asset-related charges	10,663	3,147	736	14,546
M&A related costs	—	—	(613)	(613)
Net gain on sale of business, property and equipment	(653)	—	—	(653)
Loss on extinguishment and refinancing of debt	—	—	237	237
Share-based compensation expense	531	442	2,255	3,228
Other special items	1,759	—	1,069	2,828
Adjusted EBITDA	<u>\$ 15,524</u>	<u>\$ 10,657</u>	<u>\$ (4,312)</u>	<u>\$ 21,869</u>

(1) Refer to the calculation of Adjusted EBITDA for a discussion of the Special items listed below.

(amounts in thousands)	Three Months Ended March 30, 2024			
	North America	Europe	Corporate and Unallocated Costs	Total Consolidated
Income (loss), net of tax	\$ 16,285	\$ 22	\$ (44,037)	\$ (27,730)
Income tax expense (benefit)	7,432	2,858	(13,721)	(3,431)
Depreciation and amortization ⁽¹⁾	17,991	7,493	15,945	41,429
Interest expense, net	702	344	14,646	15,692
Special items: ⁽²⁾				
Net legal and professional expenses and settlements	795	253	16,142	17,190
Restructuring and asset-related charges	13,898	3,956	205	18,059
M&A related costs	42	—	1,083	1,125
Net gain on sale of business, property and equipment	(2,838)	(27)	—	(2,865)
Loss on extinguishment and refinancing of debt	—	—	1,449	1,449
Share-based compensation expense	1,218	547	3,294	5,059
Non-cash foreign exchange transaction/translation loss (gain)	34	(943)	(637)	(1,546)
Other special items	5,639	—	(1,362)	4,277
Adjusted EBITDA	<u>\$ 61,198</u>	<u>\$ 14,503</u>	<u>\$ (6,993)</u>	<u>\$ 68,708</u>

(1) Corporate and unallocated depreciation and amortization expense in the three months ended March 30, 2024, includes accelerated amortization of \$14.1 million for an ERP system that we are no longer utilizing after we completed our related obligations under the JW Australia Transition Services Agreement.

(2) Refer to the calculation of Adjusted EBITDA for a discussion of the Special items listed below.

Reconciliations of loss, net of tax to Adjusted EBITDA on a consolidated basis are as follows:

(amounts in thousands)	Three Months Ended	
	March 29, 2025	March 30, 2024
Loss, net of tax	(190,138)	(27,730)
Income tax expense (benefit)	618	(3,431)
Depreciation and amortization ⁽¹⁾	27,295	41,429
Interest expense, net	14,918	15,692
Special items:		
Net legal and professional expenses and settlements ⁽²⁾	11,882	17,190
Goodwill impairment ⁽³⁾	137,721	—
Restructuring and asset-related charges ⁽⁴⁾⁽⁵⁾	14,546	18,059
M&A related costs ⁽⁶⁾	(613)	1,125
Net gain on sale of business, property and equipment ⁽⁷⁾	(653)	(2,865)
Loss on extinguishment and refinancing of debt ⁽⁸⁾	237	1,449
Share-based compensation expense ⁽⁹⁾	3,228	5,059
Non-cash foreign exchange transaction/translation gain ⁽¹⁰⁾	—	(1,546)
Other special items ⁽¹¹⁾	2,828	4,277
Adjusted EBITDA	<u>\$ 21,869</u>	<u>\$ 68,708</u>

(1) Depreciation and amortization expense includes accelerated amortization of \$14.1 million in the three months ended March 30, 2024, in Corporate and unallocated costs for an ERP system that we are no longer utilizing after we completed our related obligations under the JW Australia Transition Services Agreement during the first quarter of 2024.

- (2) Net legal and professional expenses and settlements include non-recurring transformation journey expenses of \$11.2 million and \$16.4 million in the three months ended March 29, 2025 and March 30, 2024, respectively. For the three months ended March 29, 2025, these expenses primarily relate to project-based consulting fees that directly support the transformation journey that are not expected to recur in the foreseeable future. These projects include the centralization of human resources processes, North America supply chain network optimization strategy and other projects related to our transformation journey. For the three months ended March 30, 2024, these expenses primarily relate to the engagement of a transformation consultant for a period spanning from the third quarter of 2023 through January 2025, for which we incurred \$14.6 million during the quarter. Expenses for this transformation consultant's engagement, which was extended by ten weeks into 2025, included \$2.1 million in the three months ended March 29, 2025. Additionally, net legal and professional expenses and settlements include \$0.6 million and \$1.1 million in the three months ended March 29, 2025 and March 30, 2024, respectively, relating to litigation of historic legal matters.
- (3) Goodwill impairment consists of goodwill impairment charges associated with our North America reporting unit.
- (4) Represents severance, accelerated depreciation and amortization, equipment relocation and other expenses directly incurred as a result of restructuring events. The restructuring charges primarily relate to charges incurred to change the operating structure, eliminate certain roles, and close certain manufacturing facilities in our North America and Europe segments.
- (5) Product and inventory-related charges related to announced facility closures were detrimental to Adjusted EBITDA.
- (6) M&A related costs consist primarily of legal and professional expenses related to the court-ordered divestiture of Towanda.
- (7) Net gain on sale of business, property and equipment in the three months ended March 29, 2025, primarily relates to the court-ordered divestiture of Towanda. Net gain on sale of business, property and equipment in the three months ended March 30, 2024, primarily relates to the sale of properties in Chile.
- (8) Loss on extinguishment and refinancing of debt consists of \$0.2 million in the three months ended March 29, 2025, associated with an amendment of our ABL Facility and \$1.4 million in the three months ended March 30, 2024, associated with an amendment of our Term Loan Facility.
- (9) Represents non-cash equity-based compensation expense related to the issuance of share-based awards.
- (10) Non-cash foreign exchange transaction/translation gain primarily associated with fair value adjustments of foreign currency derivatives and revaluation of balances denominated in foreign currencies.
- (11) Other special items not core to ongoing business activity include: (i) in the three months ended March 30, 2024, a loss of \$4.3 million of cumulative foreign currency translation adjustments related to the substantial liquidation of a foreign subsidiary in Chile in our North America segment and (\$1.5) million of cash received on an impaired note in Corporate and unallocated costs.

Comparison of the Three Months Ended March 29, 2025 to the Three Months Ended March 30, 2024

(amounts in thousands)	Three Months Ended		Variance
	March 29, 2025	March 30, 2024	
Net revenues from external customers			
North America	\$ 530,561	\$ 679,994	(22.0)%
Europe	245,445	279,132	(12.1)%
Total Consolidated	<u>\$ 776,006</u>	<u>\$ 959,126</u>	(19.1)%
Percentage of total consolidated net revenues			
North America	68.4 %	70.9 %	
Europe	31.6 %	29.1 %	
Total Consolidated	<u>100.0 %</u>	<u>100.0 %</u>	
Adjusted EBITDA⁽¹⁾			
North America	\$ 15,524	\$ 61,198	(74.6)%
Europe	10,657	14,503	(26.5)%
Corporate and unallocated costs	(4,312)	(6,993)	(38.3)%
Total Consolidated	<u>\$ 21,869</u>	<u>\$ 68,708</u>	(68.2)%
Adjusted EBITDA as a percentage of segment net revenues			
North America	2.9 %	9.0 %	
Europe	4.3 %	5.2 %	
Total Consolidated	2.8 %	7.2 %	

- (1) Adjusted EBITDA is a financial measure that is not calculated in accordance with GAAP. Refer to the calculation of Adjusted EBITDA for a discussion of the Special items listed above.

North America

Net revenues in North America decreased \$149.4 million, or 22.0%, to \$530.6 million in the three months ended March 29, 2025, from \$680.0 million in the three months ended March 30, 2024. The decrease was primarily due to a decrease in Core Revenues of 17%, a decrease in net revenues from the court-ordered divestiture of Towanda of 4%, and an unfavorable foreign exchange impact of 1%. The decrease in Core revenues was driven by an 18% decline in volume/mix driven by weaker market demand, partially offset by a 1% benefit from price realization.

Adjusted EBITDA in North America decreased \$45.7 million, or 74.6%, to \$15.5 million in the three months ended March 29, 2025, from \$61.2 million in the three months ended March 30, 2024. The decrease was primarily due to unfavorable volume/mix and price/cost and unfavorable productivity, partially offset by lower selling, general and administrative expenses. The decrease in SG&A was primarily driven by lower advertising and promotion expenses, lower salaries and benefits driven by a reduction in headcount, as well as lower professional fees.

Europe

Net revenues in Europe decreased \$33.7 million, or 12.1%, to \$245.4 million in the three months ended March 29, 2025, from \$279.1 million in the three months ended March 30, 2024. The decrease was primarily due to a decrease in Core Revenues of 9% and an unfavorable foreign exchange impact of 3%. Core Revenues decreased primarily due to unfavorable volume/mix of 10% primarily due to market softness across the region, partially offset by a 1% benefit from price realization.

Adjusted EBITDA in Europe decreased \$3.8 million, or 26.5%, to \$10.7 million in the three months ended March 29, 2025, from \$14.5 million in the three months ended March 30, 2024. The decrease was primarily due to unfavorable volume/mix and price/cost, partially offset by favorable productivity and lower selling, general and administrative expenses. The decrease in SG&A was primarily driven by lower salaries and benefits driven by a reduction in headcount and lower professional fees.

Corporate and unallocated costs

Corporate and unallocated costs decreased by \$2.7 million, or 38.3%, to \$4.3 million in the three months ended March 29, 2025, from \$7.0 million in the three months ended March 30, 2024. The decrease in cost was primarily due to a reduction in non-transformational professional fees, corporate function expense savings in the current year and an increase in cash received on investment in real estate, partially offset by an insurance reimbursement received during the three months ended March 30, 2024.

Liquidity and Capital Resources

Overview

We have historically funded our operations through a combination of cash from operations, draws on our revolving credit facilities, and the issuance of non-revolving debt such as our Term Loan Facility and our Senior Notes. We place a strong emphasis on cash flow generation, which includes an operating discipline focused on working capital management. Working capital fluctuates throughout the year and is impacted by inflation, the seasonality of our sales, customer payment patterns, supply availability, and the translation of the balance sheets of our foreign operations into the U.S. dollar. Typically, working capital increases at the end of the first quarter and beginning of the second quarter in conjunction with, and in preparation for, the peak season for home construction and remodeling in our North America and Europe segments, and decreases starting in the fourth quarter as inventory levels and accounts receivable decline. Inventories fluctuate for raw materials that have long delivery lead times, as we work through prior shipments and take delivery of new orders.

As of March 29, 2025, we had total liquidity (a non-GAAP measure) of \$499.4 million, consisting of \$132.5 million in unrestricted cash, \$366.9 million available for borrowing under the ABL Facility, compared to total liquidity of \$566.7 million as of December 31, 2024. The decrease in total liquidity was primarily due to lower ABL borrowing base availability as well as a lower cash balance at March 29, 2025 compared to December 31, 2024.

As of March 29, 2025, our cash balances, including \$0.7 million of restricted cash, consisted of \$35.1 million in cash located in the U.S. and \$98.1 million in cash located outside of the U.S. held by our non-U.S. subsidiaries.

Based on our current and forecasted level of operations and seasonality of our business, we believe that cash provided by operations and other sources of liquidity, including cash, cash equivalents, and availability under our revolving credit facilities, will provide adequate liquidity for ongoing operations, planned capital expenditures and other investments, and debt service requirements for at least the next twelve months.

We may, from time to time, refinance, reprice, extend, retire, or otherwise modify our outstanding debt to lower our interest payments, reduce our debt, or otherwise improve our financial position. These actions may include repricing amendments, extensions, and/or opportunistic refinancing of debt. The amount of debt that may be refinanced, repriced, extended, retired, or otherwise modified, if any, will depend on market conditions, trading levels of our debt, our cash position, compliance with debt covenants, and other considerations.

We may, from time to time, seek to retire or purchase our outstanding debt through cash purchases and/or exchanges for equity or debt, in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if there are any, will be on such terms and at such prices as we may determine, and will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Based on hypothetical variable rate debt that would have resulted from drawing each revolving credit facility up to the full commitment amount, a 100-basis point decrease in interest rates would have reduced our interest expense by \$2.1 million in the three months ended March 29, 2025. A 100-basis point increase in interest rates would have increased our interest expense by \$2.0 million in the same period. In certain instances, the impact of a hypothetical decrease would have been partially mitigated by interest rate floors that apply to certain of our debt agreements.

Borrowings and Refinancings

In June 2023, we amended the Term Loan Facility to replace LIBOR with a Term SOFR based rate as the successor benchmark rate and made certain other technical amendments and related conforming changes. All other material terms and conditions were unchanged.

In August 2023, we redeemed all \$250.0 million of our 6.25% Senior Secured Notes and \$200.0 million of our 4.63% Senior Notes. The Company recognized a pre-tax loss of \$6.5 million on the redemption in the year ended December 31, 2023, consisting of \$3.9 million in call premium and \$2.6 million in accelerated amortization of debt issuance costs.

In January 2024, we amended the Term Loan Facility to lower the applicable margin for replacement term loans, remove certain provisions no longer relevant to the parties, and make certain other technical amendments and related conforming changes. Pursuant to the amendment, replacement term loans bear interest at SOFR plus a margin of 1.75% to 2.00% depending on JWI's corporate credit ratings, compared to a margin of 2.00% to 2.25% under the previous amendment. All other material terms and conditions of the Term Loan Agreement were unchanged.

In August 2024, we issued \$350.0 million of Senior Notes, bearing interest at 7.00%, the proceeds of which were utilized to repay \$150.0 million of the outstanding balance of our Term Loan Facility and redeemed the remaining \$200.0 million of our 4.63% Senior Notes in September 2024. The Company recognized a pre-tax loss of \$0.5 million on the redemption resulting from accelerated amortization of debt issuance costs.

In March 2025, we amended the ABL Facility to extend the maturity date from July 2026 to March 2028, replace the CDOR as the applicable rate with respect to loans denominated in Canadian Dollars with the CORRA, and make certain other technical amendments and related conforming changes. All other material terms and conditions of the Credit Agreement were unchanged including the aggregate commitment which remained at \$500.0 million. The Company recognized a pre-tax loss of \$0.2 million in the three months ended March 29, 2025, consisting of unamortized issuance costs.

In December 2007, we entered into thirty-year mortgage notes secured by land and buildings in Denmark with principal payments which began in 2018. In October 2024, we repaid the entire remaining principal balance of the mortgage notes of DKK 142.5 million (\$20.7 million).

As of March 29, 2025, we were in compliance with the terms of all our Credit Facilities and the indentures governing the Senior Notes.

Our results have been and will continue to be impacted by substantial changes in our net interest expense throughout the periods presented and into the future. Refer to Note 10 - *Long-Term Debt* to our consolidated financial statements included in this Form 10-Q for more information.

Cash Flows

The following table summarizes the changes to our cash flows for the periods presented:

(amounts in thousands)	Three Months Ended	
	March 29, 2025	March 30, 2024
Cash (used in) provided by:		
Operating activities	\$ (83,494)	\$ (10,998)
Investing activities	70,047	(30,514)
Financing activities	(6,602)	(6,808)
Effect of changes in exchange rates on cash and cash equivalents	2,174	(5,617)
Net change in cash and cash equivalents	<u>\$ (17,875)</u>	<u>\$ (53,937)</u>

Cash Flow from Operations

Net cash used in operating activities increased \$72.5 million to \$83.5 million in the three months ended March 29, 2025, compared to \$11.0 million in the three months ended March 30, 2024. The increase in net cash used in operating activities was primarily due to an unfavorable change in earnings of \$162.4 million, inclusive of a \$137.7 million non-cash goodwill impairment charge related to our North America reporting unit during the current quarter, and a \$51.6 million decrease in net cash provided by our working capital accounts. The impact of accounts receivable, net of \$40.5 million was unfavorable in the three months ended March 29, 2025, compared to the three months ended March 30, 2024, which was primarily due to timing of collections. The \$46.1 million unfavorable impact from accounts payable is primarily due to decreased inventory purchases in North America and lower payables for professional expenses associated with a transformation consultant as compared to the prior year. The \$35.1 million favorable impact of inventory is primarily due to a reduction in purchases of materials in North America.

Cash Flow from Investing Activities

Net cash provided by investing activities was \$70.0 million in the three months ended March 29, 2025, compared to cash used in investing activities of \$30.5 million in the three months ended March 30, 2024, primarily driven by \$112.1 million proceeds related to the court-ordered divestiture of Towanda during the three months ended March 29, 2025, partially offset by an increase in capital expenditures of \$7.2 million.

Cash Flow from Financing Activities

Net cash used in financing activities decreased \$0.2 million to \$6.6 million in the three months ended March 29, 2025, compared to \$6.8 million in the three months ended March 30, 2024, primarily due to net debt payments and payments of debt extinguishment costs of \$6.1 million in the three months ended March 29, 2025, compared to net debt payments and payments of debt extinguishment costs of \$7.7 million in the three months ended March 30, 2024.

Critical Accounting Policies and Estimates

Our MD&A is based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which may differ from these estimates.

Our significant accounting policies are described in Note 1 - *Summary of Significant Accounting Policies* to the consolidated financial statements presented in our Form 10-K. Our critical accounting policies and estimates are described in Management's Discussion and Analysis of Financial Condition and Results of Operations in the Form 10-K. Our significant and critical accounting policies have not changed significantly from those disclosed in our 2024 Form 10-K.

Item 3 - Quantitative and Qualitative Disclosures About Market Risk

We are exposed to various types of market risks, including the effects of adverse fluctuations in foreign currency exchange rates, changes in interest rates, and movements in commodity prices for products we use in our manufacturing. To reduce our exposure to these risks, we maintain risk management controls and policies to monitor these risks and take appropriate actions to attempt to mitigate such forms of market risk. Our market risks have not changed significantly from those disclosed in the Form 10-K.

Item 4 - Controls and Procedures

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, which are designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act, including this Report, are recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. These disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed by the Company under the Exchange Act is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

The Company's management, including the Company's CEO and CFO, conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this Report and, based on that evaluation, the CEO and CFO concluded that the Company's disclosure controls and procedures were effective as of March 29, 2025.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the Company's most recently completed quarter ended March 29, 2025, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1 - Legal Proceedings

Refer to Note 21 - *Commitments and Contingencies* to our unaudited consolidated financial statements included in this Form 10-Q for information relating to this item.

Item 1A - Risk Factors

There have been no material changes to the risk factors previously disclosed in our Annual Report on Form 10-K included in Part I Item 1A - *Risk Factors* for the year ended December 31, 2024.

Item 5 - Other Information

During the three months ended March 29, 2025, no director or officer (as defined in Rule 16a-1(f) of the Exchange Act) of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6 - Exhibits

Exhibit No.	Exhibit Description	Form	File No.	Exhibit	Filing Date
3.1	Second Amended and Restated Certificate of Incorporation of JELD-WEN Holding, Inc.	8-K	001-38000	3.1	May 4, 2022
3.2	Fourth Amended and Restated Bylaws of JELD-WEN Holding, Inc.	8-K	001-38000	3.1	February 9, 2024
10.1+	JELD-WEN Holding, Inc. 2025 Management Incentive Plan	8-K	001-38000	10.1	February 11, 2025
10.2+	Form of Nonqualified Stock Option Agreement Under JELD-WEN Holding, Inc. 2017 Omnibus Plan (2025 and after grants).	10-K	001-38000	10.26	February 20, 2025
10.3+	Form of Restricted Stock Unit Agreement Under JELD-WEN Holding, Inc. 2017 Omnibus Plan (2025 and after grants).	10-K	001-38000	10.27	February 20, 2025
10.4+	Form of Performance Share Unit Agreement Under JELD-WEN Holding, Inc. 2017 Omnibus Plan (2025 and after grants).	10-K	001-38000	10.28	February 20, 2025
10.5	Amendment No. 8 to Credit Agreement, dated as of March 26, 2025, among JELD-WEN Holding, Inc., JELD-WEN, Inc., JELD-WEN of Canada, Ltd., the other borrowers and subsidiary guarantors party thereto, Wells Fargo Bank, National Association, as administrative agent, and the lenders party thereto	8-K	001-38000	10.1	March 26, 2025
10.6+	JELD-WEN Holding, Inc. 2017 Omnibus Equity Plan, as amended and restated effective April 24, 2025.	8-K	001-38000	10.1	April 25, 2025
31.1*	Certification of Principal Executive Officer Pursuant to Rule 13a-14(a).				
31.2*	Certification of Principal Financial Officer Pursuant to Rule 13a-14(a).				
32.1*	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350.				
101.INS*	XBRL Instance Document-the instance document does not appear in this Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.				
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.				
104*	Cover page Interactive Data file (formatted as Inline XBRL and contained in Exhibit 101).				
*	Filed herewith				
+	Indicates management contract or compensatory plan				

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

JELD-WEN HOLDING, INC.
(Registrant)

By: /s/ Samantha L. Stoddard
Samantha L. Stoddard
Executive Vice President and Chief Financial Officer

Date: May 8, 2025

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, William J. Christensen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal period ended March 29, 2025 of JELD-WEN Holding, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ William J. Christensen
William J. Christensen
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Samantha L. Stoddard, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal period ended March 29, 2025 of JELD-WEN Holding, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ Samantha L. Stoddard

Samantha L. Stoddard

Executive Vice President and Chief Financial Officer (Principal Financial Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. §1350, we, the undersigned officers of JELD-WEN Holding, Inc. (the “Company”), do hereby certify that the Company's Quarterly Report on Form 10-Q for the fiscal period ended March 29, 2025 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2025

/s/ William J. Christensen
William J. Christensen
Chief Executive Officer
(Principal Executive Officer)

/s/ Samantha L. Stoddard
Samantha L. Stoddard
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of the Report or as a separate disclosure document.