

## Risk Factors Comparison 2025-04-24 to 2024-04-26 Form: 10-K

**Legend:** New Text ~~Removed Text~~ Unchanged Text Moved Text Section

Our business faces many risks. Any of the risks discussed below, or elsewhere in this Form 10-K or our other filings with the Securities and Exchange Commission, could have a material adverse impact on our business, financial condition or operating results. Market and Industry Risks North American and global economic and industry- related business conditions materially adversely affect our sales and results of operations ~~Our Architectural Framing Systems~~ **Metals, Architectural Services**, Architectural Glass, and ~~Architectural Services~~ **a portion of our Performance Surfaces** ~~Segments~~ **Segment** are influenced by North American economic conditions and the cyclical nature of the North American non- residential construction industry. The non- residential construction industry is impacted by macroeconomic trends, such as availability of credit, employment levels, consumer confidence, interest rates and commodity prices. In addition, changes in architectural design trends, demographic trends, and / or remote work trends could impact demand for our products and services. To the extent changes in these factors negatively impact the overall non- residential construction industry, our business, operating results and financial condition could be significantly adversely impacted. ~~Our LSO~~ **A significant portion of our Performance Surfaces** Segment primarily depends on the strength of the U. S. retail custom picture framing industry. This industry is heavily influenced by consumer confidence and the conditions of the U. S. economy. A decline in consumer confidence, whether as a result of an economic slowdown, uncertainty regarding the future or other factors, could materially and adversely reflect the operating results of the segment. Global instability and uncertainty arising from events outside of our control, such as significant natural disasters, political crises, public health crises, and / or other catastrophic events could materially adversely affect our results of operations Natural disasters, political crises, public health crises, and other catastrophic events or other events outside of our control, may negatively impact our facilities or the facilities of third parties on which we depend, have broader adverse impacts on the non- residential construction market, consumer confidence and spending, and / or impact both the well- being of our employees and our ability to operate our facilities. These types of disruptions or other events outside of our control could affect our business negatively, cause delays or cancellation of non- residential construction projects or cause us to temporarily close our facilities, harming our operating results. In addition, if any of our facilities, including our manufacturing, finishing or distribution facilities, or the facilities of our suppliers, third- party service providers, or customers, is affected by natural disasters, political crises, public health crises, or other catastrophic events or events outside of our control, our business and operating results could be materially impacted. New competitors or specific actions of our existing competitors could materially harm our business We operate in competitive industries in which the actions of our existing competitors or new competitors could result in loss of customers and / or market share. Changes in our competitors' products, prices or services could negatively impact our share of demand and our operating results. Our ~~LSO Segment competes with several specialty glass manufacturers and acrylic suppliers.~~ **If these competitors are able to successfully improve their product attributes, service capabilities and production capacity and / or improve their sales and marketing focus within the markets we serve, this segment's operating results could be negatively impacted.** Our customer concentration in the ~~LSO~~ **Performance Surfaces** Segment creates a significant risk for product sale declines The ~~LSO~~ **Performance Surfaces** Segment is highly dependent on a relatively small number of customers for its sales, while working to grow in new markets and with new customers. Accordingly, loss of a significant customer, **or** a significant reduction in pricing ~~, or a shift to a less favorable mix of value- added picture framing glass or acrylic products~~ for one or more of those customers could materially reduce the segment's operating results. Strategic Risks We could be unable to effectively manage and implement our enterprise strategy, which could have a material adverse effect on our business, financial condition, and results of operations Our strategy includes differentiating our product and service offerings, shifting our business mix toward higher **growth and** operating margin products and services **and, driving** higher return on invested capital performance, and moving **to a more** away from our historical, decentralized ~~--~~ **centralized** operating model. Execution of this strategy ~~will~~ require additional investments of time and resources and could fail to achieve the desired results. For example, we may be unable to increase our sales and earnings by differentiating our product and service offerings in a cost- effective manner. We may fail to accurately predict future customer needs and preferences, and thus focus on the wrong business mix. Our centralized operating system may not produce the desired operating efficiencies. Risks related to acquisitions, divestitures and restructuring programs could adversely affect our operating results We continue to look for strategic business opportunities to drive long- term growth and operating efficiencies, which may include acquisitions, divestitures and / or restructuring plans. We frequently evaluate our brand and product portfolios and may consider acquisitions that complement our business or divestitures of businesses that we no longer believe to be an appropriate strategic fit. ~~We have initiated, and may initiate in the future, restructuring plans to achieve strategic objectives and improve financial results.~~ **We have initiated, and may initiate in the future,** ~~future~~ acquisitions, we may incur risks in integrating operations, technologies, products, and employees; we may fail to realize expected revenue growth and cost synergies from integration initiatives; we would likely increase debt levels to finance ~~the an~~ **the an** acquisition; we may not fully anticipate changes in cash flows or other market- based assumptions or conditions that cause the value of acquired assets to fall below book value, requiring impairment of intangible assets including goodwill; we may ~~subsequently~~ **subsequently** identify contingent liabilities **subsequent to closing an acquisition**; and we may be entering markets in which we have no or limited experience. As we consider and execute future divestitures, we may be exposed to risks associated ~~to~~ **with** our ability to find appropriate buyers; difficulties in executing transactions on favorable terms; separating divested business operations with minimal impact to our remaining operations; incur write- offs and impairment charges; and we may have challenges effectively managing any transition service arrangements. As we consider and execute restructuring plans, we may be exposed to risks

associated with successfully completing the initiative in a timely manner, or at all; advancing our business strategy as expected; accurately predicting costs; realizing anticipated cost savings, efficiencies, synergies, financial targets and other benefits; and we may experience the loss of key employees and / or reduced employee morale and productivity. Any acquisition, divestiture or restructuring plan, if not favorably executed by management, could have a material adverse effect on our operating results and / or financial condition. Operational Risks Loss of key personnel and inability to source sufficient labor could adversely affect our operating results The loss of our CEO or any of our key senior executives could have a material adverse effect on our business, operating results and financial condition, particularly if we are unable to hire and integrate suitable replacements on a timely basis. Further, as ~~we continue to grow~~ our business **evolves**, we ~~will continue to adjust~~ **may have changes in** our senior management team. If we are unable to attract or retain the right individuals for the team, it could hinder our ability to efficiently execute our business, and could disrupt our operations or otherwise have a material adverse effect on our business. Additionally, **an important aspect of** our success depends on the skills of construction project managers and other key technical personnel, and our ability to secure sufficient manufacturing and installation labor. In recent years, ~~strong residential and non-residential construction and~~ low U. S. unemployment ~~have~~ **has** caused increased competition for experienced construction project managers and other labor. If we are unable to retain existing employees, provide a safe and healthy working environment, and / or recruit and train additional employees with the requisite skills and experience, our operating results could be adversely impacted. **Continuing inflation may negatively impact our profitability..... which could negatively impact our margins.** If we are unable to manage our supply and distribution chains effectively our results of operations will be negatively affected Our Architectural **Metal Framing Systems** and Architectural Services Segments use aluminum as a significant input to their products ~~and our~~. **Our** operating results in those two segments could be negatively impacted by supply chain disruptions and adverse price movements in the market for raw aluminum. In recent years, we have seen increased volatility in the price of aluminum that we purchase from both domestic and international sources. Due to our Architectural **Metals Framing Systems** and Architectural Services Segments presence in Canada, we have significant cross- border activity, as our Canadian businesses purchase inputs from U. S.- based suppliers and sell to U. S.- based customers. A significant change in U. S. trade policy with Canada could, therefore, have an adverse impact on our operating results. Our Architectural Glass and **LSO Performance Surfaces** Segments use raw glass as a significant input to their products. **Increases in demand for** We periodically experience a tighter supply of raw glass **may lead to lower supply or higher costs to acquire** ~~when there is growth in automotive manufacturing and residential and non-residential construction~~. Failure to acquire a sufficient ~~amount~~ **supply** of raw glass on terms as favorable as current terms ; ~~including as a result of a significant unplanned downtime or shift in strategy at one or more of our key suppliers~~, could negatively impact our operating results. Our suppliers are subject to the fluctuations in general economic cycles. Global economic conditions and trade policies may impact their ability to operate their businesses. They may also be impacted by the increasing costs or availability of raw materials, labor and distribution, resulting in demands for less attractive contract terms or an inability for them to meet our requirements or conduct their own businesses. The performance and financial condition of one or more suppliers may cause us to alter our business terms or to cease doing business with a particular supplier or suppliers, or change our sourcing practices generally, which could in turn adversely affect our business and financial condition. If we encounter problems with distribution, our ability to deliver our products to market could be adversely affected. Our operations are vulnerable to interruptions in the event of work stoppages, whether due to public health concerns, labor disputes or shortages, and natural disasters that may affect our distribution and transportation to job sites. Moreover, our distribution system includes computer- controlled and automated equipment, which may be subject to a number of risks related to data and system security or computer viruses, the proper operation of software and hardware, power interruptions or other system failures. If we encounter problems with our distribution systems, our ability to meet customer and consumer expectations, manage inventory, manage transportation- related costs, complete sales and achieve operating efficiencies could be adversely affected. Project management and installation issues could adversely affect our operating results Some of our segments are **occasionally** awarded fixed- price contracts that ~~do not~~ include **escalation clauses on** material supply and installation services **labor costs**. **These** ~~Often~~, bids are required before all aspects of a construction project are known. An underestimate in the amount of labor required and / or cost of materials for a project; a change in the timing of the delivery of product; system design errors; difficulties or errors in execution; or significant project delays, caused by us or other trades, could result in failure to achieve the expected results. Any one or more of such issues could result in losses on individual contracts that could negatively impact our operating results. Difficulties in maintaining our information technology systems, and potential cybersecurity threats, could negatively affect our operating results and / or our reputation Our operations are dependent upon various information technology systems that are used to process, transmit and store electronic information and data, and to manage or support our manufacturing operations and a variety of other business processes and activities, some of which are managed by third parties. We could encounter difficulties in maintaining our existing systems, developing and implementing new systems, or integrating information technology systems across our business units. Such difficulties could lead to disruption in business operations and / or significant additional expenses that could adversely affect our results. Additionally, our information technology and Internet based systems, and those of our third- party service providers, are subject to disruption and data loss due to natural disasters, power losses, unauthorized access, telecommunication failures and cyber- attacks of increasing frequency and sophistication. These systems have in the past been, and may in the future be, subject to cyber- attacks and other attempts to gain unauthorized access, breach, damage, disrupt or otherwise compromise such systems, none of which have been material to us in the last three fiscal years. The occurrence of any of these events could adversely affect our reputation and could result in the compromise of confidential information, litigation, manipulation and loss of data and intellectual property, regulatory action, production downtimes, disruption in availability of financial data, misrepresentation of information via digital media, and increased costs and operational consequences of implementing further data protection systems. Our security measures may also be breached in the future as a result of employee error, failure to implement appropriate processes and procedures, advances in computer and

software capabilities and encryption technology, new tools and discoveries, malfeasance, third- party action, including cyber-attacks or other international misconduct by computer hackers or otherwise. Additionally, we may have heightened cybersecurity, information security and operational risks as a result of work- from- home arrangements. Our workforce operates with a combination of remote work and flexible work schedules opening us up for cybersecurity threats and potential breaches as a result of increased employee usage of networks other than company- managed **networks**. This could result in one or more third- parties obtaining unauthorized access to our customer or supplier data or our internal data, including personally identifiable information, intellectual property and other confidential business information. Third- parties may also attempt to fraudulently induce employees into disclosing sensitive information such as user names, passwords or other information in order to gain access to customer or supplier data or our internal data, including intellectual property, financial, and other confidential business information. We believe our mitigation measures reduce, but cannot eliminate, the risk of a cyber incident; however, there can be no assurance that our existing and planned precautions of backup systems, regular data backups, security protocols and other procedures will be adequate to prevent significant damage, system failure or data loss and the same is true for our partners, vendors and other third parties on which we rely. **While we maintain cybersecurity insurance, the costs related to cybersecurity threats or disruptions may not be fully insured.** Because techniques used to obtain unauthorized access or sabotage systems change frequently and generally are not identified until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative or mitigation measures. Though it is difficult to determine what harm may directly result from any specific interruption or breach, any failure to maintain performance, reliability, security and availability of our network infrastructure or otherwise maintain the confidentiality, security, and integrity of data that we store or otherwise maintain on behalf of third- parties may harm our reputation and our employee and customer relationships. If such unauthorized disclosure or access does occur, we may be required to notify our customers, employees or those persons whose information was improperly used, disclosed or accessed. We may also be subject to claims of breach of contract for such use or disclosure, investigation and penalties by regulatory authorities and potential claims by persons whose information was improperly used or disclosed. We could also become the subject of regulatory action or litigation from our customers, employees, suppliers, service providers, and shareholders, which could damage our reputation, require significant expenditures of capital and other resources, and cause us to lose business. Additionally, an unauthorized disclosure or use of information could cause interruptions in our operations and might require us to spend significant management time and other resources investigating the event and dealing with local and federal law enforcement. Regardless of the merits and ultimate outcome of these matters, we may be required to devote time and expense to their resolution. In addition, the ~~increase in the number and the scope~~ of data security incidents has increased regulatory and industry focus on security requirements and heightened data security industry practices. New regulation, evolving industry standards, and the interpretation of both, may cause us to incur additional expense in complying with any new data security requirements. As a result, the failure to maintain the integrity of and protect customer or supplier data or our confidential internal data could have a material adverse effect on our business, operating results and financial condition. **Legal Legislative**, Regulatory and Tax Risks **Changes in trade policies may result in increased costs and could adversely affect our operating results The impact of geopolitical tensions, including the potential implementation of more restrictive trade policies, higher tariffs or the renegotiation of existing trade agreements in the U. S. or countries where we sell our products and services or procure products, could have a material adverse effect on our business. In particular, political or trade disputes, or future phases of trade negotiations with Canada that could lead to the imposition of tariffs or other trade actions could require us to take action to mitigate those effects. We may be unable to pass through additional tariff costs to our customers through price increases, and may be unable to secure adequate alternative sources of supply. Our inability to offset higher tariff costs could have a material adverse effect on our operating results, profitability, customer relationships and future cash flow.** Violations of legal and regulatory compliance requirements, including environmental laws, and changes in existing legal and regulatory requirements, may have a negative impact on our business and results of operations –We are subject to a legal and regulatory framework imposed under federal and state laws and regulatory agencies, including laws and regulations that apply specifically to U. S. public companies and laws and regulations applicable to our manufacturing and construction site operations. Our efforts to comply with evolving laws, regulations, and reporting standards, including climate- related regulations, may increase our general and administrative expenses, divert management time and attention, or limit our operational flexibility, all of which could have a material adverse effect on our business, financial position, and results of operations. Additionally, new laws, rules, and regulations, or changes to existing laws or their interpretations, could create added legal and compliance costs and uncertainty for us. We use hazardous materials in our manufacturing operations, and have air and water emissions that require controls. Accordingly, we are also subject to federal, state, local and foreign environmental laws and regulations, including those governing the storage and use of hazardous materials and disposal of wastes. A violation of such laws and regulations, or a release of such substances, may expose us to various claims, including claims by third parties, as well as remediation costs and fines. Product quality issues and product liability claims could adversely affect our operating results We manufacture and / or install a significant portion of our products based on the specific requirements of each customer. We believe that future orders of our products or services will depend on our ability to maintain the performance, reliability, quality and timely delivery standards required by our customers. We have in the past, and are currently, subject to product liability and warranty claims, including certain legal claims related to a commercial sealant product formerly incorporated into our products, and there is no certainty we will prevail on these claims. If our products have performance, reliability or quality problems, or products are installed using incompatible glazing materials or installed improperly (by us or a customer), we may experience additional warranty and other expenses; reduced or canceled orders; higher manufacturing or installation costs; or delays in the collection of accounts receivable. Additionally, product liability and warranty claims, including relating to the performance, reliability or quality of our products and services, could result in costly and time- consuming litigation that could require significant time and attention of

management and involve significant monetary damages that could negatively impact our operating results. There is also no assurance that the number and value of product liability and warranty claims will not increase as compared to historical claim rates, or that our warranty reserve at any particular time is sufficient. No assurance can be given that coverage under insurance policies, if applicable, will be adequate to cover future product liability claims against us. If we are unable to recover on insurance claims, in whole or in part, or if we exhaust our available insurance coverage at some point in the future, then we might be forced to expend our own funds on legal fees and settlement or judgment costs, which could negatively impact our profitability, results of operations, cash flows and financial condition.

~~Potential future tariffs may result in increased costs and could adversely affect the Company's operating results. We utilize certain aluminum products in our manufacturing processes. Tariffs imposed in the U. S. or other countries on these aluminum products imported into the U. S. could result in increased costs and a decreased available supply. We may be unable to pass price increases on to our customers and may be unable to secure adequate alternative sources. The tariffs, and our inability to offset them with higher pricing, could have a material adverse effect on our operating results.~~

Our judgments regarding the accounting for tax positions and the resolution of tax disputes, as well as any changes in tax legislation may impact our net earnings and cash flow. Significant judgment is required to determine our effective tax rate and evaluate our tax positions. We provide for uncertain tax positions when such tax positions do not meet the recognition thresholds or measurement criteria prescribed by applicable accounting standards. Fluctuations in federal, state, local and foreign taxes or a change to uncertain tax positions, including related interest and penalties, may impact our effective tax rate and financial results. Additionally, we are subject to audits in the various taxing jurisdictions in which we conduct business. In cases where audits are conducted and issues are raised, a number of years may elapse before such issues are finally resolved. Unfavorable resolution of any tax matter could increase the effective tax rate, which could have an adverse effect on our operating results and cash flow. The impact of future tax legislation in the U. S. or abroad is always uncertain. Changes in such laws could adversely impact our effective income tax rate. Financial Risks Results can differ significantly from our expectations and the expectations of analysts, which could have an adverse effect on the market price of our common stock. From time to time, we may provide financial projections to our shareholders, lenders, investment community, and other stakeholders. Our projections are based on management's best estimate utilizing prevailing business and economic conditions as well as other relevant information available at the time. These projections are highly subjective and are based upon a variety of factors that could change materially over time. As a result, our future actual results could vary materially from our projections which could have an adverse impact on the market price of our common stock.

**Continuing inflation** Changes in macroeconomic factors may negatively impact our profitability. Rising **inflation**, interest rates, **inflation and construction costs**, and higher input costs or any one of them, could reduce the demand for our products and services and impact our profitability. Higher interest rates make it more expensive for our customers to finance construction projects, and as a result, may reduce the number of projects available to us and the demand for our products and services, and also increase the interest expenses associated with our borrowings. Cost inflation, including significant cost increases for freight, aluminum, glass, paint, wood-based and other materials used in our operations, has impacted, and could continue to impact, our profitability. Furthermore, in some of our segments, we operate on contracts wherein we bear part or all of the risk of inflation on materials costs and the cost of installation services. Our ability to mitigate these costs, or recover the cost increases through price increases, may lag the cost increases, which could negatively impact our margins. We may experience further impairment of our goodwill, indefinite- and definite- lived intangible assets and long- lived assets, in the future, which could adversely impact our financial condition and results of operations. Our assets include a significant amount of goodwill, indefinite- and definite- lived intangible assets and long- lived assets. We evaluate goodwill and indefinite- lived intangible assets for impairment annually in our fiscal fourth quarter, or more frequently if events or changes in circumstances indicate that the carrying value of a reporting unit may not be recoverable. We evaluate definite- lived intangible assets and long- lived assets for impairment if events or changes in circumstances indicate that the carrying value of the long- lived asset may not be recoverable. The assessment of impairment involves significant judgment and projections about future performance. Based on our annual impairment valuation analysis performed in the fourth quarter of fiscal ~~2024~~ **2025**, there was no **we incurred \$ 7. 6 million of pre- tax** impairment of ~~goodwill or charges related to~~ indefinite and definite- lived intangibles **identified in the Architectural Metals Segment as a result of strategic branding changes**. As **Additionally, as** a result of a publicly announced restructuring plan in the fourth quarter of fiscal 2024, we incurred \$ 6. 2 million of **pre- tax** impairment charges related to property, plant and equipment and operating lease right- of- use assets. The discounted cash flow projections and revenue projections used in our annual impairment valuation analysis are dependent upon achieving forecasted levels of revenue and profitability. If revenue or profitability were to fall below forecasted levels, or if market conditions were to decline in a material or sustained manner, impairment could be indicated and we could incur a non- cash impairment expense that would negatively impact our financial condition and results of operations. Failure to maintain effective internal controls over financial reporting could adversely impact our ability to timely and accurately report financial results and comply with our reporting obligations, which could materially affect our business. Regardless of how internal financial reporting control systems are designed, implemented, and enforced, they cannot ensure with absolute certainty that our internal control objectives will be met in every instance. Because of the inherent limitations of all such systems, our internal controls over financial reporting may not always prevent or detect misstatements. Failure to maintain effective internal control over financial reporting could adversely affect our ability to accurately and timely report financial results, to prevent or detect fraud, or to comply with the requirements of the SEC or the Sarbanes- Oxley Act of 2002, which could necessitate a restatement of our financial statements, and / or result in an investigation, or the imposition of sanctions, by regulators. Such failure could additionally expose us to litigation and / or reputational harm, impair our ability to obtain financing, or increase the cost of any financing we obtain. All of these impacts could adversely affect the price of our common stock and our business overall. Our liquidity or cost of capital may be materially adversely affected by constraints or changes in the capital and credit markets, interest rates and limitations under our financing

arrangements We need sufficient sources of liquidity to fund our working capital requirements, service our outstanding indebtedness and finance business opportunities. Without sufficient liquidity, we could be forced to curtail our operations, or we may not be able to pursue business opportunities. The principal sources of our liquidity are funds generated from operating activities, available cash, credit facilities, and other debt arrangements. If our sources of liquidity do not satisfy our requirements, we may need to seek additional financing. The future availability of financing will depend on a variety of factors, such as economic and market conditions, the regulatory environment for banks and other financial institutions, the availability of credit and our reputation with potential lenders. These factors could materially adversely affect our liquidity, costs of borrowing and our ability to pursue business opportunities or grow our business. We may also assume or incur additional debt, including secured debt, in the future in connection with, or to fund, future acquisitions or for other operating needs.