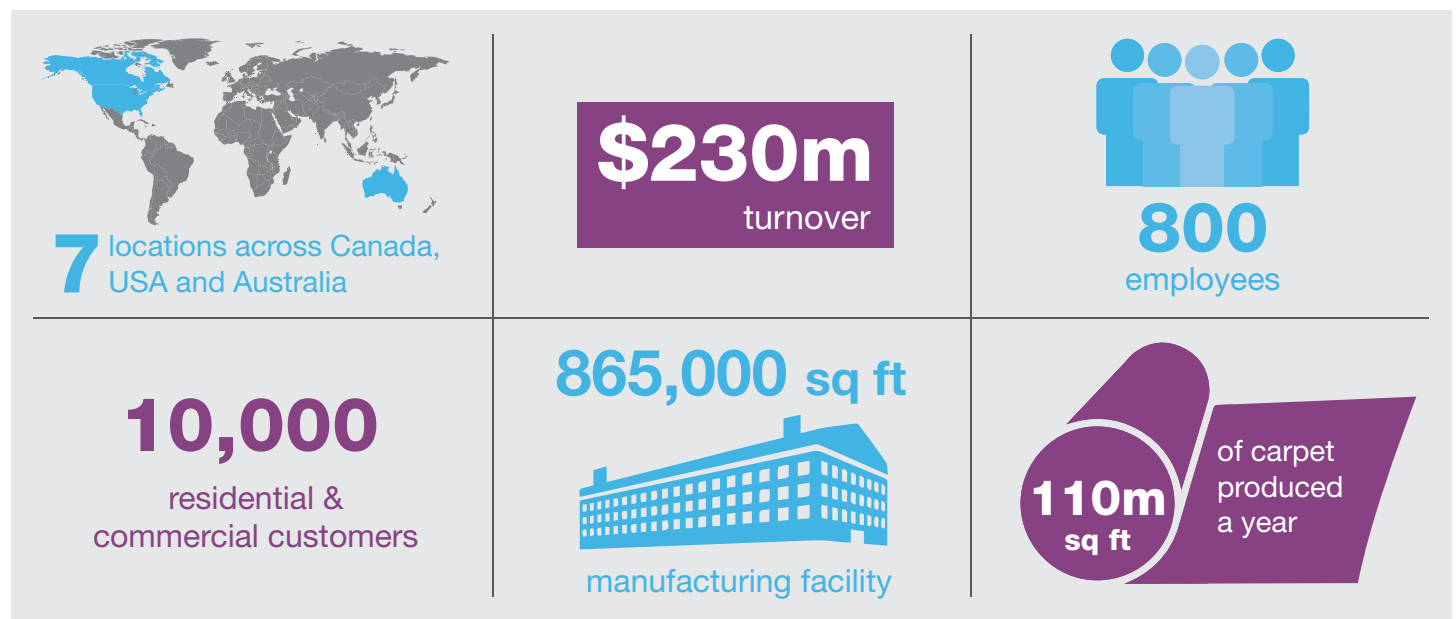


EQUITY PURCHASE



Kraus Group in Numbers



Key Facts

- › Major Canadian exporter saved from potential closure
- › Debt restructuring to reduce **\$125m** debt burden
- › **\$100m** acquisition and working capital line, achieved through pre-packaged receivership and bankruptcy
- › Significant new restructuring legal precedents set

Results

- › **\$2.5m** of cost savings achieved to date
- › Business achieving significantly improved profitability and sales performance has been stabilised
- › New leadership team installed
- › Major new retail accounts won
- › New working capital facility with Wells Fargo