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 September 24, 2022

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	**93-1273278**
(State or other jurisdiction of incorporation or organization)	**(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	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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 84,337,757 shares of Common Stock, par value $0.01 per share, outstanding as of October 27, 2022.

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:

10-K	Annual Report on Form 10-K for the fiscal year ended December 31, 2021
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
Adjusted EBITDA	A supplemental non-GAAP financial measure of operating performance not based on any standardized methodology prescribed by GAAP that we define as net income (loss), adjusted for the following items: loss from discontinued operations, net of tax; equity earnings of non-consolidated entities; income tax (benefit) expense; depreciation and amortization; interest expense, net; impairment and restructuring charges; gain on previously held shares of equity investment; (gain) loss on sale of property and equipment; share-based compensation expense; non-cash foreign exchange transaction/translation (income) loss; other non-cash items; other items; and costs related to debt restructuring and debt refinancing
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
AUD	Australian Dollar
Australia Senior Secured Credit Facility	Our senior secured credit facility, dated as of October 6, 2015 and as amended from time to time, with certain of our Australian subsidiaries, as borrowers, and Australia and New Zealand Banking Group Limited, as lender
BBSY	Bank Bill Swap Bid Rate
CAP	Cleanup Action Plan
CARES Act	Coronavirus Aid, Relief, and Economic Security Act enacted on March 27, 2020
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Charter	Amended and Restated Certificate of Incorporation of JELD-WEN Holding, Inc.
CMI	JWI d/b/a CraftMaster Manufacturing, Inc.
COA	Consent Order and Agreement
CODM	Chief Operating Decision Maker, which 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	Revenue excluding the impact of foreign exchange and acquisitions completed in the last twelve months
Corporate Credit Facilities	Collectively, our ABL Facility and our Term Loan Facility
COVID-19	A novel strain of the 2019-nCov coronavirus
Credit Facilities	Collectively, our Corporate Credit Facilities and our Australia Senior Secured Credit Facility as well as other acquired term loans and revolving credit facilities
DKK	Danish Krone
ERP	Enterprise Resource Planning
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
GAAP	Generally Accepted Accounting Principles in the United States
GHGs	Greenhouse Gases
GILTI	Global Intangible Low-Taxed Income
JELD-WEN	JELD-WEN Holding, Inc., together with its consolidated subsidiaries where the context requires
JEM	JELD-WEN Excellence Model
JWA	JELD-WEN of Australia Pty. Ltd.
JWI	JELD-WEN, Inc., a Delaware corporation
LIBOR	London Interbank Offered Rate

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M&A	Mergers and acquisitions
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
Onex	Onex Partners III LP and certain affiliates
PaDEP	Pennsylvania Department of Environmental Protection
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	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 4.625% and maturing in December 2025 and $400.0 million bearing interest at 4.875% and maturing in December 2027
Senior Secured Notes	$250.0 million of senior secured notes issued in May 2020 in a private placement bearing interest at 6.25% and maturing in May 2025
SG&A	Selling, general, and administrative expenses
Tax Act	Tax Cuts and Jobs Act
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
Common Stock	900,000,000 shares of common stock, with a par value of $0.01 per share
U.S.	United States of America
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®, MiraTEC®, Extira®, LaCANTINA®, MMI Door®, Karona™, ImpactGard®, JW®, Aurora®, IWP®, True BLU®, ABS™, Siteline®, National Door®, Low-Friction Glider®, Hydrolock®, and VPI™. 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 Stegbar®, Regency®, William Russell Doors®, Airlite®, Trend®, The Perfect Fit™, Aneeta®, Breezway®, Kolder™ , Corinthian® and A&L Windows® marks in Australia, and Swedoor®, Dooria®, DANA®, Mattiovi™, Zargag® , Alupan®, and Domoferm® 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 ®, ™ or ℠ 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.

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PART I - FINANCIAL INFORMATION
Item 1 -Unaudited Financial Statements

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

(amounts in thousands, except share and per share data)	Three Months Ended September 24, 2022	Three Months Ended September 25, 2021	Nine Months Ended September 24, 2022	Nine Months Ended September 25, 2021
Net revenues	$ 1,295,810	$ 1,146,585	$ 3,797,800	$ 3,484,783
Cost of sales	1,045,031	918,513	3,097,558	2,728,855
Gross margin	250,779	228,072	700,242	755,928
Selling, general and administrative	192,394	173,774	565,877	554,019
Goodwill impairment	54,885	—	54,885	—
Impairment and restructuring charges	6,579	576	11,876	2,648
Operating income (loss)	(3,079)	53,722	67,604	199,261
Interest expense, net	21,138	19,377	59,714	56,692
Other income	(7,690)	(3,251)	(35,914)	(13,940)
Income (loss) before taxes	(16,527)	37,596	43,804	156,509
Income tax expense (benefit)	16,665	(2,946)	31,698	29,772
Net income (loss)	$ (33,192)	$ 40,542	$ 12,106	$ 126,737
Weighted average common shares outstanding:				
Basic	84,519,095	95,783,839	87,121,448	98,562,479
Diluted	84,519,095	97,823,658	88,016,849	100,631,125
Net income (loss) per share				
Basic	$ (0.39)	$ 0.42	$ 0.14	$ 1.29
Diluted	$ (0.39)	$ 0.41	$ 0.14	$ 1.26

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

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

	Three Months Ended		Nine Months Ended	
(amounts in thousands)	September 24, 2022	September 25, 2021	September 24, 2022	September 25, 2021
Net income (loss)	$ (33,192)	$ 40,542	$ 12,106	$ 126,737
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments, net of tax expense (benefit) of $95, ($2,000), $197, and ($1,987), respectively	(55,196)	(26,895)	(121,457)	(54,600)
Interest rate hedge adjustments, net of tax expense of $803, $22, $3,900, and $508, respectively	2,341	64	11,464	1,502
Defined benefit pension plans, net of tax expense of $384, $550, $926, and $2,033, respectively	583	2,003	1,494	5,528
Total other comprehensive income (loss), net of tax	(52,272)	(24,828)	(108,499)	(47,570)
Comprehensive (loss) income	$ (85,464)	$ 15,714	$ (96,393)	$ 79,167

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

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

(amounts in thousands, except share and per share data)	September 24, 2022	December 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	$ 199,809	$ 395,596
Restricted cash	1,339	1,294
Accounts receivable, net	675,125	552,041
Inventories	725,859	615,971
Other current assets	108,405	55,531
Assets held for sale	124,590	119,424
Total current assets	1,835,127	1,739,857
Property and equipment, net	746,108	798,804
Deferred tax assets	181,928	204,232
Goodwill	443,294	545,213
Intangible assets, net	193,855	222,181
Operating lease assets, net	183,881	201,781
Other assets	30,731	26,603
Total assets	$ 3,614,924	$ 3,738,671
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	$ 386,392	$ 418,774
Accrued payroll and benefits	155,756	135,989
Accrued expenses and other current liabilities	319,648	289,676
Current maturities of long-term debt	40,086	38,561
Liabilities held for sale	7,774	5,868
Total current liabilities	909,656	888,868
Long-term debt	1,774,273	1,667,696
Unfunded pension liability	52,321	61,438
Operating lease liability	150,155	166,318
Deferred credits and other liabilities	95,303	102,879
Deferred tax liabilities	8,120	9,254
Total liabilities	2,989,828	2,896,453
Commitments and contingencies *(Note 20)*		
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, 84,331,536 shares outstanding as of September 24, 2022; 900,000,000 shares authorized, par value $0.01 per share, 90,193,550 shares outstanding as of December 31, 2021	843	902
Additional paid-in capital	729,633	719,451
Retained earnings	96,865	215,611
Accumulated other comprehensive loss	(202,245)	(93,746)
Total shareholders' equity	625,096	842,218
Total liabilities and shareholders' equity	$ 3,614,924	$ 3,738,671

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

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JELD-WEN HOLDING, INC.
CONSOLIDATED STATEMENTS OF EQUITY

	Three Months Ended			
	September 24, 2022		September 25, 2021	
(amounts in thousands, except share and per share amounts)	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	85,857,994	$ 859	99,131,782	$ 991
Shares issued for exercise/vesting of share-based compensation awards	134,218	1	251,952	2
Shares repurchased	(1,641,084)	(17)	(7,762,169)	(77)
Shares surrendered for tax obligations for employee share-based transactions	(19,592)	—	—	—
Balance at period end	84,331,536	$ 843	91,621,565	$ 916
Additional paid-in capital				
Balance at beginning of period		$ 730,963		$ 706,787
Shares issued for exercise/vesting of share-based compensation awards		—		3,021
Shares surrendered for tax obligations for employee share-based transactions		(341)		—
Amortization of share-based compensation		(316)		6,328
Balance at period end		730,306		716,136
Employee stock notes				
Balance at beginning of period		(673)		(673)
Net issuances, payments and accrued interest on notes		—		—
Balance at period end		(673)		(673)
Balance at period end		$ 729,633		$ 715,463
Retained earnings				
Balance at beginning of period		$ 155,331		$ 400,783
Shares repurchased		(25,274)		(221,017)
Net (loss) income		(33,192)		40,542
Balance at period end		$ 96,865		$ 220,308
Accumulated other comprehensive income (loss)				
Balance at beginning of period		$ (149,973)		$ (81,435)
Foreign currency adjustments		(55,196)		(26,895)
Unrealized gain on interest rate hedges		2,341		64
Net actuarial pension gain		583		2,003
Balance at period end		$ (202,245)		$ (106,263)
Total shareholders' equity at period end		$ 625,096		$ 830,424

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

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

	Nine Months Ended			
	September 24, 2022		September 25, 2021	
(amounts in thousands, except share and per share amounts)	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	90,193,550	$ 902	100,806,068	$ 1,008
Shares issued for exercise/vesting of share-based compensation awards	1,112,005	11	612,760	6
Shares repurchased	(6,848,356)	(69)	(9,749,810)	(97)
Shares surrendered for tax obligations for employee share-based transactions	(125,663)	(1)	(47,453)	(1)
Balance at period end	84,331,536	$ 843	91,621,565	$ 916
Additional paid-in capital				
Balance at beginning of period		$ 720,124		$ 691,360
Shares issued for exercise/vesting of share-based compensation awards		2,000		5,344
Shares surrendered for tax obligations for employee share-based transactions		(2,764)		(1,277)
Amortization of share-based compensation		10,946		20,709
Balance at period end		730,306		716,136
Employee stock notes				
Balance at beginning of period		(673)		(673)
Net issuances, payments and accrued interest on notes		—		—
Balance at period end		(673)		(673)
Balance at period end		$ 729,633		$ 715,463
Retained earnings				
Balance at beginning of period		$ 215,611		$ 371,462
Shares repurchased		(130,852)		(277,891)
Net income		12,106		126,737
Balance at period end		$ 96,865		$ 220,308
Accumulated other comprehensive income (loss)				
Balance at beginning of period		$ (93,746)		$ (58,693)
Foreign currency adjustments		(121,457)		(54,600)
Unrealized gain on interest rate hedges		11,464		1,502
Net actuarial pension gain		1,494		5,528
Balance at period end		$ (202,245)		$ (106,263)
Total shareholders’ equity at period end		$ 625,096		$ 830,424

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

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

(amounts in thousands)	Nine Months Ended September 24, 2022	Nine Months Ended September 25, 2021
OPERATING ACTIVITIES		
Net income	$ 12,106	$ 126,737
Adjustments to reconcile net income to cash used in operating activities:		
Depreciation and amortization	97,624	103,336
Deferred income taxes	9,623	(2,701)
Net loss on disposition of assets	353	923
Goodwill impairment	54,885	—
Adjustment to carrying value of assets	534	1,916
Amortization of deferred financing costs	2,298	2,296
Loss on extinguishment of debt	—	1,001
Stock-based compensation	10,946	20,709
Amortization of U.S. pension expense	1,083	6,975
Recovery of cost from interest received on impaired notes	(13,953)	—
Other items, net	41,859	(4,335)
Net change in operating assets and liabilities, net of effect of acquisitions:		
Accounts receivable	(166,610)	(123,860)
Inventories	(146,992)	(98,790)
Other assets	(31,143)	(14,683)
Accounts payable and accrued expenses	67,134	114,109
Change in short term and long-term tax liabilities	(13,173)	1,651
Net cash (used in) provided by operating activities	(73,426)	135,284
INVESTING ACTIVITIES		
Purchases of property and equipment	(53,070)	(59,155)
Proceeds from sale of property and equipment	1,190	3,141
Purchase of intangible assets	(4,392)	(14,576)
Recovery of cost from interest received on impaired notes	13,953	—
Cash received for notes receivable	79	2,132
Change in securities for deferred compensation plan	(486)	—
Net cash used in investing activities	(42,726)	(68,458)
FINANCING ACTIVITIES		
Change in long-term debt	84,775	(72,243)
Common stock issued for exercise of options	2,011	5,350
Common stock repurchased	(131,987)	(277,988)
Payments to tax authorities for employee share-based compensation	(2,657)	(1,278)
Net cash used in financing activities	(47,858)	(346,159)
Effect of foreign currency exchange rates on cash	(31,732)	(12,336)
Net decrease in cash and cash equivalents	(195,742)	(291,669)
Cash, cash equivalents and restricted cash, beginning	396,890	736,594
Cash, cash equivalents and restricted cash, ending	$ 201,148	$ 444,925

For further information see Note 21 - *Supplemental Cash Flow.*

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.

We have facilities located in the U.S., Canada, Europe, Australia, Asia, and Mexico. 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, Australia, and Asia.

Our revenues are affected by the level of new housing starts 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 September 24, 2022 and for the three and nine months ended September 24, 2022 and September 25, 2021, 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 and nine months ended September 24, 2022 are not necessarily indicative of the results to be expected for the year ending December 31, 2022, or any other period. The accompanying consolidated balance sheet as of December 31, 2021 was derived from audited financial statements included in our Annual Report on Form 10-K. The accompanying consolidated financial statements do not include all of 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, 2021.

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.

COVID-19 – The CARES Act in the U.S. and similar legislation in other jurisdictions includes measures that assisted companies in responding to the COVID-19 pandemic. These measures consisted primarily of cash assistance to support employment levels and deferment of remittance of certain non-income tax expense payments. The most significant impact was from the CARES Act in the U.S., which included a provision that allowed employers to defer the remittance of the employer portion of the social security tax relating to 2020. The deferred employment payment must be paid over two years. Original payment due dates were in 2021 and 2022, however updated guidance provided by the Internal Revenue Service in December 2021 allowed for these payments to be made during 2022 and 2023. The Company deferred $20.9 million of the employer portion of social security tax in 2020, of which $9.9 million was paid in the first quarter of 2022 and the remaining $11.0 million is included in accrued payroll and benefits in the consolidated balance sheet as of September 24, 2022. As of December 31, 2021, the deferral $20.9 million was equally recorded between accrued payroll and benefits and deferred credits and other liabilities in the consolidated balance sheet.

Recent Accounting Standards – In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by the discontinuation of LIBOR or by another reference rate expected to be discontinued. In January 2021, the FASB issued ASU No. 2021-01, *Reference Rate Reform (Topic 848): Scope*, to clarify the scope of ASU No. 2020-04. The amendments are effective for all entities as of March 12, 2020 through December 31, 2022. In May 2020, we elected the expedient within ASC 848 which allows us to assume that our hedged interest payments are probable of occurring regardless of any expected modifications in their terms related to reference rate reform. In addition, ASC 848 allows for the option to change the method of assessing effectiveness upon a change in critical terms of the derivative or the hedged transactions and upon the end of relief under ASC 848. At this time, we have elected to continue the method of assessing effectiveness as documented in the original hedge documentation and apply the practical expedients related to probability to assume that the reference rate on the hypothetical derivative matches the reference rate on the hedging instrument. We plan to evaluate the remaining expedients for adoption, as applicable, when contracts are modified. We currently do not expect this guidance to have a material impact on our consolidated financial statements. Refer to Note 18 - *Derivative Financial Instruments* for additional disclosure information relating to our hedging activity.

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

Note 2. 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, primarily 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 will 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 September 24, 2022 and December 31, 2021, we had an allowance for credit losses of $16.4 million and $10.2 million, respectively.

Note 3. 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)	September 24, 2022	December 31, 2021
Raw materials	$ 560,913	$ 478,566
Work in process	36,270	36,065
Finished goods	128,676	101,340
Total inventories	$ 725,859	$ 615,971

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Note 4. Property and Equipment, Net

(amounts in thousands)	September 24, 2022	December 31, 2021
Property and equipment	$ 2,076,156	$ 2,137,861
Accumulated depreciation	(1,330,048)	(1,339,057)
Total property and equipment, net	$ 746,108	$ 798,804

We monitor all property and equipment for any indicators of potential impairment whenever events or changes in circumstances indicate the carrying amount of the corresponding asset group may not be recoverable. We recorded no impairment charges for the three months ended September 24, 2022 and $0.5 million for the nine months ended September 24, 2022. We recorded impairment charges of $0.7 million and $1.8 million for the three and nine months ended September 25, 2021.

The effect on our carrying value of property and equipment due to currency translations for foreign property and equipment, net, was a decrease of $37.6 million as of September 24, 2022 compared to December 31, 2021.

Depreciation expense was recorded as follows:

	Three Months Ended		Nine Months Ended	
(amounts in thousands)	September 24, 2022	September 25, 2021	September 24, 2022	September 25, 2021
Cost of sales	$ 22,793	$ 22,777	$ 67,797	$ 69,020
Selling, general and administrative	1,629	2,150	5,057	6,944
Total depreciation expense	$ 24,422	$ 24,927	$ 72,854	$ 75,964

Note 5. Goodwill

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

(amounts in thousands)	North America	Europe	Australasia	Total Reportable Segments
Balance as of December 31, 2021	$ 182,645	$ 278,668	$ 83,900	$ 545,213
Impairment	—	(54,885)	—	(54,885)
Currency translation	(357)	(39,580)	(7,097)	(47,034)
Balance as of September 24, 2022	$ 182,288	$ 184,203	$ 76,803	$ 443,294

We test goodwill for impairment annually during the fourth quarter for all of our reporting units, and more frequently if events or circumstances warrant such a review. We estimate the fair value of the reporting units using discounted cash flow projections. In determining the fair value of the reporting units, we make significant assumptions and estimates about the extent and timing of future cash flows all of which are considered Level 3 inputs, including revenue growth rates, projected segment EBITDA, discount rates, capital expenditures, and terminal growth rates as well as an estimate of economic and market conditions over the forecast period. If the carrying value of the reporting unit exceeds its estimated fair value, a goodwill impairment charge is recorded for the difference, with the impairment loss limited to the total amount of goodwill allocated to that reporting unit.

During the quarter ended September 24, 2022, management identified various qualitative and quantitative factors which collectively indicated a triggering event had occurred within our North America and Europe reporting units. These factors included the macroeconomic environment in each region including increasing interest rates, persistent inflation, and operational inefficiencies attributable to ongoing global supply chain disruptions, the continuing geopolitical environment in Europe associated with the war in Ukraine, and foreign exchange fluctuations. All of these factors have negatively impacted our business performance.

Based upon the results of our interim impairment analysis, we concluded that the carrying value of our Europe reporting unit exceeded its fair value, and we recorded a goodwill impairment charge of $54.9 million, representing a partial impairment of goodwill assigned to the Europe reporting unit. In addition, we determined the fair value of our North America reporting unit exceeded its book value by 14% and concluded the carrying value of our North America reporting unit was not impaired. There can be no assurance the estimates and assumptions used in the interim impairment analysis, particularly our long-term financial projections, will prove to be accurate, and as a result, a future goodwill impairment charge could have a material effect on the Company's consolidated financial position and results of operations.

Note 6. Intangible Assets, Net

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

	September 24, 2022		
(amounts in thousands)	Cost	Accumulated Amortization	Net Book Value
Customer relationships and agreements	$ 135,048	$ (74,535)	$ 60,513
Software	117,272	(42,037)	75,235
Trademarks and trade names	52,092	(11,638)	40,454
Patents, licenses and rights	42,727	(25,074)	17,653
Total amortizable intangibles	$ 347,139	$ (153,284)	$ 193,855

	December 31, 2021		
(amounts in thousands)	Cost	Accumulated Amortization	Net Book Value
Customer relationships and agreements	$ 145,940	$ (73,635)	$ 72,305
Software	118,114	(35,816)	82,298
Trademarks and trade names	55,806	(10,771)	45,035
Patents, licenses and rights	46,353	(23,810)	22,543
Total amortizable intangibles	$ 366,213	$ (144,032)	$ 222,181

The effect on our carrying value of intangible assets due to currency translations for foreign intangible assets was a decrease of $8.5 million as of September 24, 2022 compared to December 31, 2021.

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of the corresponding asset group may not be recoverable. Intangible assets that become fully amortized are removed from the accounts in the period that they become fully amortized. Amortization expense was recorded as follows:

	Three Months Ended		Nine Months Ended	
(amounts in thousands)	September 24, 2022	September 25, 2021	September 24, 2022	September 25, 2021
Amortization expense	$ 7,810	$ 8,373	$ 23,993	$ 24,727

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Note 7. Accrued Expenses and Other Current Liabilities

(amounts in thousands)	September 24, 2022	December 31, 2021
Accrued sales and advertising rebates	$ 88,245	$ 90,623
Current portion of operating lease liability	42,855	43,880
Non-income related taxes	33,598	25,030
Deferred revenue and customer deposits	26,484	25,568
Accrued freight	23,081	19,020
Current portion of warranty liability *(Note 8)*	22,494	23,523
Accrued interest payable	18,453	3,633
Accrued expenses	18,453	18,636
Current portion of accrued claim costs relating to self-insurance programs	17,543	14,352
Accrued income taxes payable	17,058	16,237
Current portion of restructuring accrual	4,934	171
Current portion of derivative liability *(Note 18)*	3,414	5,527
Legal claims provision	3,036	3,476
Total accrued expenses and other current liabilities	$ 319,648	$ 289,676

The legal claims provision relates primarily to contingencies associated with the ongoing legal matters disclosed in Note 20 - *Commitments and Contingencies*.

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

Prior period balances in the table above have been reclassified to conform to current period presentation.

Note 8. Warranty Liability

Warranty terms vary 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. A provision for estimated warranty costs is recorded at the time of sale based on historical experience and is periodically adjusted to reflect actual experience.

An analysis of our warranty liability is as follows:

(amounts in thousands)	September 24, 2022	September 25, 2021
Balance as of January 1	$ 54,860	$ 52,296
Current period charges	21,326	21,143
Experience adjustments	384	3,306
Payments	(21,169)	(23,327)
Currency translation	(1,451)	(203)
Balance at period end	53,950	53,215
Current portion	(22,494)	(22,545)
Long-term portion	$ 31,456	$ 30,670

The most significant component of our warranty liability is in the North America segment, which totaled $46.2 million at September 24, 2022, after discounting future estimated cash flows at rates between 0.53% and 2.75%. Without discounting, the liability would have been higher by approximately $2.8 million.

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Note 9. Long-Term Debt

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

(amounts in thousands)	September 24, 2022 Interest Rate	September 24, 2022	December 31, 2021
Senior Secured Notes and Senior Notes	4.63% - 6.25%	$ 1,050,000	$ 1,050,000
Term loans	1.30% - 4.74%	544,736	547,598
Revolving credit facilities	3.81% - 4.01%	115,000	—
Finance leases and other financing arrangements	1.25% - 6.17%	96,025	97,874
Mortgage notes	2.22% - 2.72%	21,009	25,411
Total Debt		1,826,770	1,720,883
Unamortized debt issuance costs and original issue discounts		(12,411)	(14,626)
Current maturities of long-term debt		(40,086)	(38,561)
Long-term debt		$ 1,774,273	$ 1,667,696

Summaries of our significant changes to outstanding debt agreements as of September 24, 2022 are as follows:

Senior Secured Notes and Senior Notes

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 December 2017, we issued $800.0 million of unsecured 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.

Term Loans

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 bear interest at LIBOR (subject to a floor of 0.00%) plus a margin of 2.00% to 2.25% depending on JWI’s corporate credit ratings. In addition, the amendment also modifies certain other terms and provisions of the Term Loan Facility. 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. As of the date of the amendment, the outstanding principal balance, net of original issue discount, was $548.6 million. As of September 24, 2022, the outstanding principal balance, net of original issue discount, was $543.3 million.

In May 2020, we entered into interest rate swap agreements with a weighted average fixed rate of 0.395% paid against one-month LIBOR floored at 0.00% with outstanding notional amounts aggregating to $370.0 million corresponding to that amount of the debt outstanding under our Term Loan Facility. The interest rate swap agreements are designated as cash flow hedges of a portion of the interest obligations on our Term Loan Facility borrowings and mature in December 2023. See Note 18 - *Derivative Financial Instruments* for additional information on our derivative assets and liabilities.

Australia Facility - During the second quarter of 2021, we repaid the AUD 50.0 million ($38.4 million) outstanding principal balance of the floating rate revolving loan facility and terminated the term loan commitment.

Revolving Credit Facilities

ABL Facility - In July 2021, we amended the ABL Facility to, among other things, extend the maturity date from December 2022 to July 2026, increase the aggregate commitment to $500.0 million, amend the interest rate grid applicable to the loans thereunder, provide additional covenant flexibility, and conform certain terms and provisions to the Term Loan Facility. Pursuant to the amendment, the amount allocated to U.S. borrowers was increased to $465.0 million. The amount allocated to Canadian borrowers was maintained at $35.0 million. Borrowings under the ABL Facility bear, at the borrower's option, interest at either a base rate plus a margin of 0.25% to 0.50% depending on excess availability or LIBOR plus a margin of 1.25% to 1.50% depending on excess availability. As of September 24, 2022, we had $115.0 million of outstanding borrowings, $34.6 million in letters of credit and $347.4 million available under the ABL Facility.

Australia Senior Secured Credit Facility - In June 2019, we amended the Australia Senior Secured Credit Facility, reallocating availability from the Australia Term Loan Facility and collapsing the floating rate revolving loan facility into an AUD 35.0 million interchangeable facility to be used for guarantees, asset financing, and loans of twelve months or less. The interchangeable facility does not have a set maturity date but is instead subject to an annual review each June.

In May 2020, we amended the Australia Senior Secured Credit Facility to relax certain financial covenants. The amended non-term loan portion of the facility bore line fees of 0.70%, compared to line fees of 0.50% under the previous amendment. The amendment also provided for a supplemental AUD 30.0 million floating rate revolving loan facility.

In December 2021, we amended the Australia Senior Secured Credit Facility to reinstate maintenance financial covenant ratios to pre-pandemic thresholds and renewed the facility through its next annual review. The amended facility includes line fees of 0.50%, compared to line fees of 0.70% under the previous amendment. As of September 24, 2022, we had AUD 23.0 million ($15.2 million) available under this facility.

The Australia Senior Secured Credit Facility is secured by guarantees of JWA and its subsidiaries, fixed and floating charges on the assets of JWA group, and mortgages on certain real properties owned by the JWA group. The combined agreement requires that JWA maintain certain financial ratios, including a minimum consolidated interest coverage ratio and a maximum consolidated debt to EBITDA ratio. The agreement limits dividends and repayments of intercompany loans where the JWA group is the borrower and limits loans or other financial accommodations to non-obligor entities.

At September 24, 2022, we had combined borrowing availability of $362.6 million under our revolving credit facilities.

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. As of September 24, 2022, we had DKK 159.2 million ($21.0 million) outstanding under these notes.

Finance leases and other financing arrangements – In addition to finance leases, we include insurance premium financing arrangements and loans secured by equipment in this category. As of September 24, 2022, we had $96.0 million outstanding in this category, with maturities ranging from 2022 to 2028.

As of September 24, 2022, we were in compliance with the terms of all of our credit facilities and the indentures governing the Senior Notes and Senior Secured Notes.

Note 10. Income Taxes

The Company previously completed its accounting for the income tax effects of the Tax Act. We have considered ongoing developments released through the date hereof and determined that they have no material impact on our tax accounts for the nine months ended September 24, 2022. Final guidance, once issued, may materially affect our conclusions regarding the net related effects of the Tax Act on our unaudited consolidated financial statements. Until then, management will continue to monitor and work with its tax advisors to interpret any guidance issued.

The effective income tax rate for continuing operations was (100.8)% and 72.4% for the three and nine months ended September 24, 2022, respectively, compared to (7.8)% and 19.0% for the three and nine months ended September 25, 2021, respectively. In accordance with ASC 740-270, we recorded tax expense of $16.7 million and $31.7 million in the three and nine months ended September 24, 2022, respectively, compared to a tax benefit of $2.9 million and tax expense of $29.8 million from operations in the three and nine months ended September 25, 2021, respectively, by applying our estimated annual effective tax rate to year-to-date income for includable entities during the respective periods. The effective tax rate for the three and nine months ended September 24, 2022 is impacted by goodwill impairment charges in the third quarter of 2022. Our estimated annual effective tax rate for both years includes the impact of the tax on GILTI. The application of the estimated annual effective tax rate in interim periods may result in a significant variation in the customary relationship between income tax expense and pretax accounting income due to the seasonality of our global business. 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 continuing operations for the three months ended September 24, 2022 was an expense of $1.9 million compared to a benefit of $9.3 million for the three months ended September 25, 2021. The discrete tax expense amounts for the three months ended September 24, 2022 were comprised primarily of $2.8 million of tax expense attributable to share-based compensation, partially offset by $1.1 million of tax benefit attributed to return-to-provision adjustments. The discrete tax benefit amounts for the three months ended September 25, 2021 were comprised primarily of $12.3 million of tax benefit attributed to return-to-provision adjustments, primarily related to the impact of GILTI, and $2.0 million of tax benefit attributable to research and development tax credits, partially offset by $4.4 million of tax expense attributable to removing our assertion on certain undistributed foreign earnings, which is discussed below, and $0.4 million of tax expense attributable to interest expense on uncertain tax positions.

The tax benefit related to discrete items included in the tax provision for continuing operations for the nine months ended September 24, 2022 was $4.5 million compared to $10.9 million for the nine months ended September 25, 2021. The discrete tax benefits for the nine months ended September 24, 2022 were comprised primarily of $9.5 million of tax benefit attributable to the release of valuation allowance on state net operating losses and $1.2 million of tax benefit attributable to return-to-provision adjustments, partially offset by $3.4 million of tax expense attributable to share-based compensation and $2.6 million of tax expense attributable to current period interest expense on uncertain tax positions. The discrete benefit amounts for the nine months ended September 25, 2021 were comprised primarily of $12.2 million of tax benefit attributed to return-to-provision adjustments, primarily related to the impact of GILTI, $2.0 million of tax benefit attributable to research and development tax credits, $1.8 million of tax benefit related to future changes to the UK tax rate enacted in the period, $0.4 million of tax benefit attributable to share-based compensation, partially offset by $4.4 million of tax expense attributable to removing our assertion on certain undistributed foreign earnings, which is discussed below, and $1.0 million of tax expense attributable to interest expense on uncertain tax positions.

Under ASC 740-10, we provide for uncertain tax positions 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. We had unrecognized tax benefits without regard to accrued interest of $27.0 million and $26.8 million as of September 24, 2022 and December 31, 2021, respectively.

In the third quarter of 2022, the Company repatriated $82.2 million from certain foreign subsidiaries and does not anticipate any additional remittances in the foreseeable future. For additional explanation regarding current operating challenges within our European segment and reporting unit, refer to Note 5 - *Goodwill* in our financial statements. As a result, the Company has asserted that its future earnings generated in Europe in excess of previously taxed earnings are permanently reinvested as of September 24, 2022 and will not record deferred taxes on such amounts in future periods.

Note 11. Segment Information

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 determined that we have three reportable segments, organized and managed principally by geographic region. Our reportable segments are North America, Europe, and Australasia. We report all other business activities in Corporate and unallocated costs. Factors considered in determining the three reportable segments include the nature of business activities, the management structure accountable directly to the CODM, the discrete financial information available and the information regularly reviewed by the CODM. Management reviews net revenues and Adjusted EBITDA to evaluate segment performance and allocate resources. We define Adjusted EBITDA as net income (loss), adjusted for the following items: loss from discontinued operations, net of tax; equity earnings of non-consolidated entities; income tax (benefit) expense; depreciation and amortization; interest expense, net; impairment and restructuring charges; gain on previously held shares of equity investment; (gain) loss on sale of property and equipment; share-based compensation expense; non-cash foreign exchange transaction/translation (income) loss; other items; other non-cash items; and costs related to debt restructuring and debt refinancing.

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

(amounts in thousands)	North America	Europe	Australasia	Total Operating Segments	Corporate and Unallocated Costs	Total Consolidated
Three Months Ended September 24, 2022						
Total net revenues	$ 835,319	$ 305,011	$ 165,213	$ 1,305,543	$ —	$ 1,305,543
Intersegment net revenues	(185)	(120)	(9,428)	(9,733)	—	(9,733)
Net revenues from external customers	$ 835,134	$ 304,891	$ 155,785	$ 1,295,810	$ —	$ 1,295,810
Goodwill impairment	—	(54,885)	—	(54,885)	—	(54,885)
Impairment and restructuring charges	814	3,411	26	4,251	2,328	6,579
Adjusted EBITDA	105,291	18,086	19,940	143,317	(26,788)	116,529
Three Months Ended September 25, 2021						
Total net revenues	$ 676,937	$ 324,169	$ 151,382	$ 1,152,488	$ —	$ 1,152,488
Intersegment net revenues	(144)	(1,615)	(4,144)	(5,903)	—	(5,903)
Net revenues from external customers	$ 676,793	$ 322,554	$ 147,238	$ 1,146,585	$ —	$ 1,146,585
Impairment and restructuring charges	114	314	169	597	(21)	576
Adjusted EBITDA	76,889	23,780	17,565	118,234	(19,362)	98,872

(amounts in thousands)	North America	Europe	Australasia	Total Operating Segments	Corporate and Unallocated Costs	Total Consolidated
Nine Months Ended September 24, 2022						
Total net revenues	$ 2,397,370	$ 968,364	$ 452,597	$ 3,818,331	$ —	$ 3,818,331
Intersegment net revenues	(786)	(154)	(19,591)	(20,531)	—	(20,531)
Net revenues from external customers	$ 2,396,584	$ 968,210	$ 433,006	$ 3,797,800	$ —	$ 3,797,800
Goodwill impairment	—	(54,885)	—	(54,885)	—	(54,885)
Impairment and restructuring charges	5,565	3,945	79	9,589	2,287	11,876
Adjusted EBITDA	265,848	52,824	46,184	364,856	(42,283)	322,573
Nine Months Ended September 25, 2021						
Total net revenues	$ 2,057,081	$ 995,451	$ 447,379	$ 3,499,911	$ —	$ 3,499,911
Intersegment net revenues	(545)	(2,635)	(11,948)	(15,128)	—	(15,128)
Net revenues from external customers	$ 2,056,536	$ 992,816	$ 435,431	$ 3,484,783	$ —	$ 3,484,783
Impairment and restructuring charges	1,030	1,441	253	2,724	(76)	2,648
Adjusted EBITDA	272,002	92,358	48,759	413,119	(68,094)	345,025

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Reconciliations of net income to Adjusted EBITDA are as follows:

	Three Months Ended		Nine Months Ended	
(amounts in thousands)	September 24, 2022	September 25, 2021	September 24, 2022	September 25, 2021
Net income (loss)	$ (33,192)	$ 40,542	$ 12,106	$ 126,737
Income tax expense (benefit)	16,665	(2,946)	31,698	29,772
Depreciation and amortization	32,546	33,661	97,624	103,336
Interest expense, net	21,138	19,377	59,714	56,692
Goodwill impairment	54,885	—	54,885	—
Impairment and restructuring charges (1)	9,747	1,124	15,066	3,466
Loss on sale of property and equipment	76	561	265	993
Share-based compensation expense	(316)	6,328	10,946	20,709
Non-cash foreign exchange transaction/translation loss (income)	1,620	(2,812)	7,901	(16,308)
Other items (2)	13,240	1,695	31,207	18,286
Other non-cash items (3)	120	—	1,161	—
Costs relating to debt restructuring and debt refinancing	—	1,342	—	1,342
Adjusted EBITDA	$ 116,529	$ 98,872	$ 322,573	$ 345,025

(1) Impairment and restructuring charges consist of (i) impairment and restructuring charges that are included in our accompanying unaudited consolidated statements of operations plus (ii) additional charges relating to inventory and/or manufacturing of our products that are included in cost of sales in our accompanying unaudited consolidated statements of operations were $3,168 and $548 for the three months ended September 24, 2022 and September 25, 2021, respectively, and $3,190 and $818 for the nine months ended September 24, 2022 and September 25, 2021, respectively. For further explanation of impairment and restructuring charges that are included in our unaudited consolidated statements of operations, see Note 15 - *Impairment and Restructuring Charges* in our financial statements.

(2) Other non-recurring items not core to ongoing business activity include: (i) in the three months ended September 24, 2022 (1) $6,458 in legal and professional expenses, primarily relating to litigation, M&A evaluations, and strategic transformation initiatives, (2) $6,290 in facility closure, consolidation, and other related costs, (3) $3,243 relating primarily to exit costs for executives, and (4) ($2,884) in adjustments related to fire damage and downtime at one of our facilities; (ii) in the three months ended September 25, 2021 (1) $357 in legal and professional expenses relating primarily to litigation and (2) $1,122 in facility closure, consolidation, startup, and other related costs; (iii) in the nine months ended September 24, 2022 (1) $14,584 in legal and professional expenses, primarily relating to litigation, M&A evaluations, and strategic transformation initiatives, (2) $11,788 in facility closure, consolidation, and other related costs, (3) $3,243 relating primarily to exit costs for executives, (4) $1,898 in compensation and non-income taxes associated with exercises of legacy equity awards, and (5) ($436) in adjustments related to fire damage and downtime at one of our facilities; (iv) in the nine months ended September 25, 2021 (1) $15,702 in legal and professional expenses relating primarily to litigation and (2) $1,905 in facility closure, consolidation, startup, and other related costs.

(3) Other non-cash items include $148 and 1,196 for unrealized mark-to-market losses from other derivatives in the three and nine months ended September 24, 2022, respectively.

Note 12. 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 shares outstanding 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 September 24, 2022 and December 31, 2021 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 27, 2021, our Board of Directors increased our previous repurchase authorization to a total of $400.0 million with no expiration date.

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On July 28, 2022, our Board of Directors authorized a new share repurchase program, replacing our previous share repurchase authorization, with an aggregate value of $200.0 million and no expiration date. As of September 24, 2022, there have been no share repurchases under this program.

During the three and nine months ended September 24, 2022, we repurchased 1,641,084 and 6,848,356, respectively, at an average price of $15.41 and $19.12, respectively. During the three and nine months ended September 25, 2021, we repurchased 7,762,169 and 9,749,810 shares of our Common Stock, respectively, at an average price of $28.48 and $28.51, respectively.

Note 13. Earnings Per Share

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

	Three Months Ended		Nine Months Ended	
	September 24, 2022	**September 25, 2021**	**September 24, 2022**	**September 25, 2021**
Weighted average outstanding shares of Common Stock basic	84,519,095	95,783,839	87,121,448	98,562,479
Restricted stock units, performance share units, and options to purchase Common Stock	—	2,039,819	895,401	2,068,646
Weighted average outstanding shares of Common Stock diluted	84,519,095	97,823,658	88,016,849	100,631,125

For the three months ended September 24, 2022, 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 be 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		Nine Months Ended	
	September 24, 2022	**September 25, 2021**	**September 24, 2022**	**September 25, 2021**
Common Stock options	1,720,071	1,289,635	1,704,101	1,157,780
Restricted stock units	1,585,315	11,123	560,922	9,699
Performance share units	133,684	—	108,933	134,402

Note 14. Stock Compensation

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

	Three Months Ended			
	September 24, 2022		September 25, 2021	
	Shares	Weighted Average Exercise Price Per Share	Shares	Weighted Average Exercise Price Per Share
Options granted	—	$ —	—	$ —
Options canceled	575,698	$ 26.08	24,434	$ 30.30
Options exercised	—	$ —	217,409	$ 13.89
	Shares	**Weighted Average Grant Date Fair Value**	**Shares**	**Weighted Average Grant Date Fair Value**
RSUs granted	227,828	$ 14.73	8,046	$ 24.85
PSUs granted	—	$ —	—	$ —

	Nine Months Ended			
	September 24, 2022		September 25, 2021	
	Shares	Weighted Average Exercise Price Per Share	Shares	Weighted Average Exercise Price Per Share
Options granted	310,554	$ 24.17	309,902	$ 29.01
Options canceled	753,723	$ 26.23	50,036	$ 29.20
Options exercised	156,380	$ 11.91	370,982	$ 14.35
	Shares	**Weighted Average Grant Date Fair Value**	**Shares**	**Weighted Average Grant Date Fair Value**
RSUs granted	1,367,828	$ 21.64	650,655	$ 29.10
PSUs granted	158,587	$ 29.24	165,749	$ 30.70

Stock-based compensation expense was ($0.3) million and $10.9 million for the three and nine months ended September 24, 2022, respectively, and $6.3 million and $20.7 million for the three and nine months ended September 25, 2021, respectively. The decrease in stock-based compensation expense during the three and nine months ended September 24, 2022 as compared to the respective prior year periods was primarily due to increased forfeitures across all equity awards from the departure of the CEO and corporate restructuring during the third quarter 2022, as disclosed in Note 15 - *Impairment and Restructuring Charges* in our financial statements. As of September 24, 2022, we had $18.5 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 1.48 years.

Note 15. Impairment and Restructuring Charges

We engage in restructuring activities intended to improve productivity, operating margins, and working capital levels. Restructuring costs primarily relate to workforce reductions, repositioning of management structure, and costs associated with plant consolidations and closures. Asset impairments primarily relate to ROU assets and property and equipment held by operations impacted by restructuring.

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The following table summarizes the restructuring and impairment charges for the periods indicated:

(amounts in thousands)	North America	Europe	Australasia	Corporate and Unallocated Costs	Total Consolidated
Three Months Ended September 24, 2022					
Restructuring costs	$ 814	$ 3,411	$ 26	$ 2,328	$ 6,579
Impairments	—	—	—	—	—
Total impairment and restructuring charges	$ 814	$ 3,411	$ 26	$ 2,328	$ 6,579
Three Months Ended September 25, 2021					
Restructuring costs	$ (30)	$ (191)	$ 77	$ (21)	$ (165)
Impairments	144	505	92	—	741
Total impairment and restructuring charges	$ 114	$ 314	$ 169	$ (21)	$ 576

(amounts in thousands)	North America	Europe	Australasia	Corporate and Unallocated Costs	Total Consolidated
Nine Months Ended September 24, 2022					
Restructuring costs	5,565	3,411	79	2,287	11,342
Impairments	—	534	—	—	534
Total impairment and restructuring charges	$ 5,565	$ 3,945	$ 79	$ 2,287	$ 11,876
Nine Months Ended September 25, 2021					
Restructuring costs	(34)	681	161	(76)	732
Impairments	1,064	760	92	—	1,916
Total impairment and restructuring charges	$ 1,030	$ 1,441	$ 253	$ (76)	$ 2,648

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

(amounts in thousands)	September 24, 2022	September 25, 2021
Balance as of January 1	$ 171	$ 1,377
Current period charges	11,342	732
Payments	(6,396)	(1,653)
Currency translation	(183)	(50)
Balance at period end	$ 4,934	$ 406

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 sheet.

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Note 16. Held for Sale

During 2021, the Company ceased the appeal process for its litigation with Steves & Sons, Inc. (“Steves”) further described in Note 20 - *Commitments and Contingencies*. As a result, we are required to divest the Company’s Towanda, PA operations (“Towanda”). As of September 24, 2022 and December 31, 2021, the assets and liabilities associated with the sale of Towanda qualify as held for sale. Since the Company will continue manufacturing door skins for its internal needs, the divestiture decision did not represent a strategic shift thereby precluding the divestiture as qualifying as a discontinued operation.

The assets and liabilities included within the summary below are expected to be disposed of within the next twelve months and are included in assets held for sale and liabilities held for sale in the accompanying balance sheet. The results of Towanda will continue to be reported within our North America operations until the divestiture is finalized.

In addition to Towanda, we have immaterial assets held for sale at points in time, primarily relating to property, plant and equipment from restructuring efforts, which have been classified as held for sale as of December 31, 2021.

(amounts in thousands)	September 24, 2022	December 31, 2021
Assets		
Inventory	$ 17,582	$ 15,520
Other current assets	156	105
Property and equipment	39,243	35,870
Intangible assets	1,471	1,471
Goodwill	65,000	65,000
Operating lease assets	1,138	1,458
Assets held for sale	$ 124,590	$ 119,424
Liabilities		
Accrued payroll and benefits	$ 1,091	$ 907
Accrued expenses and other current liabilities	6,064	3,945
Current maturities of long term debt	3	10
Long-term debt	—	2
Operating lease liability	616	1,004
Liabilities held for sale	$ 7,774	$ 5,868

Note 17. Other Income

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

	Three Months Ended		Nine Months Ended	
(amounts in thousands)	September 24, 2022	September 25, 2021	September 24, 2022	September 25, 2021
Foreign currency gains	$ (3,301)	$ (3,195)	$ (8,686)	$ (12,131)
Insurance Reimbursement	(1,500)	—	(6,343)	—
Pension income	(1,348)	(34)	(4,210)	(110)
Recovery of cost from interest received on impaired notes	(541)	—	(13,953)	—
Loss on sale or disposal of property and equipment	76	561	265	923
Governmental pandemic assistance reimbursement	(71)	(828)	(550)	(1,327)
Loss on extinguishment of debt	—	1,342	—	1,342
Other items	(1,005)	(1,097)	(2,437)	(2,637)
Total other income	$ (7,690)	$ (3,251)	$ (35,914)	$ (13,940)

Note 18. Derivative Financial Instruments

Foreign currency derivatives – We are exposed to the impact of foreign currency fluctuations in certain countries in which we operate. In most of these countries, 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 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 addition, to mitigate the exposure, we may enter into a variety of foreign currency derivative contracts, such as forward contracts, option collars, and cross-currency hedges. To manage the effect of exchange fluctuations on forecasted sales, purchases, acquisitions, inventory, capital expenditures, and certain intercompany transactions that are denominated in foreign currencies, we have foreign currency derivative contracts with a total notional amount of $99.9 million. To mitigate the impact to the consolidated earnings of the Company from the effect of the translation of certain subsidiaries' local currency results into U.S. dollars, we have foreign currency derivative contracts with a total notional amount of $94.8 million. We do not use derivative financial instruments for trading or speculative purposes. We have not elected hedge accounting for any foreign currency derivative contracts. We record mark-to-market changes in the values of these derivatives in other income. We recorded mark-to-market losses relating to foreign currency derivatives of $3.3 million in the three months ended September 24, 2022 and gains of $7.7 million in the nine months ended September 24, 2022, respectively, and gains of $3.0 million and $8.8 million in the three and nine months ended September 25, 2021, respectively.

Interest rate derivatives – We are exposed to interest rate risk in connection with our variable rate long-term debt and we partially mitigate this risk through interest rate derivatives such as swaps and caps. In May 2020, we entered into interest rate swap agreements to manage this risk. The interest rate swaps have outstanding notional amounts aggregating to $370.0 million and mature in December 2023 with a weighted average fixed rate of 0.395% swapped against one-month USD LIBOR floored at 0.00%. The interest rate swap agreements are designated as cash flow hedges and effectively fix the interest rate on a corresponding portion of the aggregate debt outstanding under our Term Loan Facility.

No portion of these interest rate contracts were deemed ineffective during the three and nine months ended September 24, 2022. We recorded pre-tax mark-to-market gains of $4.8 million and $17.1 million during the three and nine months ended September 24, 2022, respectively, in other comprehensive income. We recorded pre-tax mark-to-market losses of $0.1 million and pre-tax mark-to-market gains of $1.3 million during the three and nine months ended September 25, 2021, respectively, in other comprehensive income. We reclassified gains previously recorded in other comprehensive income to interest income of $1.6 million and $1.7 million during the three and nine months ended September 24, 2022, respectively, and losses to interest expense of $0.2 million and $0.7 million during the three and nine months ended September 25, 2021, respectively.

As of September 24, 2022, approximately $14.8 million is expected to be reclassified to interest income over the next twelve months.

Other derivative instruments – From time to time, we may enter into other types of derivative instruments immaterial to the business. Unless otherwise disclosed, these instruments are not designated as hedging instruments and mark-to-market adjustments are recorded in the statement of operations each period.

The derivative agreements each contain a provision whereby we could be declared in default on our derivative obligations if we either default or, in certain cases, are capable of being declared in default of any of our indebtedness greater than specified thresholds. These agreements also contain a provision where we could be declared in default subsequent to a merger or restructuring type event if the creditworthiness of the resulting entity is materially weaker.

The fair values of derivative instruments held are as follows:

(amounts in thousands)	Derivative assets: Balance Sheet Location	September 24, 2022	December 31, 2021
Derivatives designated as hedging instruments:			
Interest rate contracts	Other current assets	$ 13,705	$ 263
Interest rate contracts	Other assets	$ 4,958	$ 3,036
Derivatives not designated as hedging instruments:			
Foreign currency forward contracts	Other current assets	$ 10,531	$ 6,297

(amounts in thousands)	Derivatives liabilities: Balance Sheet Location	September 24, 2022	December 31, 2021
Derivatives not designated as hedging instruments:			
Foreign currency forward contracts	Accrued expenses and other current liabilities	$ 2,218	$ 5,527
Other derivative instruments	Accrued expenses and other current liabilities	$ 1,196	$ —

Note 19. 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:

	September 24, 2022				
(amounts in thousands)	Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Assets:					
Cash equivalents	$ 3,608	$ 3,608	$ —	$ 3,608	$ —
Derivative assets, recorded in other current assets	24,236	24,236	—	24,236	—
Derivative assets, recorded in other assets	4,958	4,958	—	4,958	—
Liabilities:					
Debt, recorded in long-term debt and current maturities of long-term debt	$ 1,826,770	$ 1,602,016	$ —	$ 1,602,016	$ —
Derivative liabilities, recorded in accrued expenses and other current liabilities	3,414	3,414	—	3,414	—

(amounts in thousands)	December 31, 2021 Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Assets:					
Cash equivalents	$ 33,143	$ 33,143	$ —	$ 33,143	$ —
Derivative assets, recorded in other current assets	6,560	6,560	—	6,560	—
Liabilities:					
Debt, recorded in long-term debt and current maturities of long-term debt	$ 1,720,883	$ 1,751,353	$ —	$ 1,751,353	$ —
Derivative liabilities, recorded in accrued expenses and other current assets	5,527	5,527	—	5,527	—
Derivative liabilities, recorded in deferred credits and other liabilities	—	—	—	—	—

Derivative assets and liabilities reported in level 2 include foreign currency and interest rate contracts. See Note 18- *Derivative Financial Instruments* for additional information about our derivative assets and liabilities.

There are no material non-financial assets or liabilities as of September 24, 2022 or December 31, 2021.

Note 20. 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 September 24, 2022 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. vs 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 and Sons, Inc. ("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, JELD-WEN 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 granting 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.

JELD-WEN 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 JELD-WEN'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 JELD-WEN 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. JELD-WEN then filed a motion for rehearing en banc with the Fourth Circuit that was denied on March 22, 2021.

Following a thorough review, and consistent with our practice, we concluded that it is in the best interest of the Company and its stakeholders to move forward with the divestiture of Towanda and certain related assets. Although the Company did not seek Supreme Court review of the Fourth Circuit's February 18, 2021 decision, the Company retains the legal right to challenge the divestiture process and the final divestiture order. We made estimates related to the divestiture in the preparation of our financial statements; however, there can be no guarantee that the divestiture will be consummated. The divestiture process is ongoing, and the special master is overseeing this process. Although the Company has decided to divest, we continue to believe that Steves' claims lacked merit and that it was not entitled to the extraordinary remedy of divestiture. We continue to believe that the judgment in accordance with the verdict was improper under applicable law.

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 and certain related assets 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, 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 seeks compensatory damages, equitable relief, and an award of attorneys' fees and costs. The parties sought a stay of the Aldridge Action. On April 19, 2021, the court denied the parties' motion to stay and, instead, ordered the plaintiff to file an amended complaint that complied with court rules or the matter would be dismissed. 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 Corporation ("Onex"), alleging that the defendants breached their fiduciary duties by allowing the wrongful acts alleged in the Steves, as well as insider trading, and unjust enrichment among other allegations (the "Black Action"). The lawsuit seeks compensatory damages, corporate governance reforms, restitution, equitable relief, and an award of attorneys' fees and costs. The plaintiffs in the Black and Aldridge Actions sought to consolidate the lawsuits on July 16, 2021, which was granted by the court on the same day. On August 16, 2021, the plaintiffs designated the Black complaint as the operative complaint in the consolidated derivative action. On October 15, 2021, JELD-WEN and Onex moved to dismiss the complaint. On January 14, 2022, the plaintiffs moved for leave to amend the complaint. On January 28, 2022, the JELD-WEN defendants opposed the motion for leave to amend the complaint. On April 28, 2022, the court granted the plaintiffs leave to amend the complaint, and the plaintiffs filed their amended complaint the same day. As a result, on April 29, 2022, the Court denied JELD-WEN's and Onex's motions to dismiss as moot.

On June 20, 2022, the parties executed a settlement term sheet pertaining to the derivative litigation and notified the Court that a settlement had been reached. On June 22, 2022, the Court stayed the derivative litigation pending approval of the settlement. On September 8, 2022, the parties executed a stipulation and agreement of settlement. The Court entered an order preliminarily approving the settlement on September 11, 2022, and scheduled the final approval hearing for December 19, 2022. Notice of the settlement and schedule has been posted on the Company's website and is being mailed to shareholders as specified in the Court's preliminary approval order.

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 us 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 us or Masonite. The suit alleges an illegal conspiracy between us 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 JELD-WEN 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. We anticipate a hearing on the certification of the Federal Court Action in 2023. The Company believes both the Quebec Action and the Federal Court Action lack merit and intends to vigorously defend against them.

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. See Note 7 - *Accrued Expenses and Other Current Liabilities*. 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 of 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 have no stop loss insurance covering our self-insured employee medical plan and are responsible for all claims thereunder. 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 September 24, 2022 and December 31, 2021, our accrued liability for self-insured risks was $92.1 million and $88.4 million, respectively.

Indemnifications – At September 24, 2022, we had commitments related to certain representations made in contracts for the purchase or sale of businesses or property. 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. These guarantees or indemnification responsibilities typically expire within one to three years. 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 $72.3 million and $116.9 million at September 24, 2022 and December 31, 2021, respectively. The decrease is primarily due to the cancellation of bonds related to the Steves' legal matter.

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 $0.5 million at September 24, 2022 and December 31, 2021. Long-term environmental liabilities are recorded in deferred credits and other liabilities in the accompanying consolidated balance sheets and totaled $11.8 million at September 24, 2022 and December 31, 2021.

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 have determined our range of possible outcomes to be $11.8 million to $33.4 million. On March 1, 2022, we delivered a draft CAP to the WADOE consistent with its preferred alternatives, and on May 16, 2022, we received the WADOE's initial comments on the draft CAP. On June 13, 2022, we responded to the WADOE's comments. The WADOE continues reviewing the draft and will provide comments that will be incorporated into the draft CAP. At that time, the WADOE will release the documents for tribal consultation and comment followed by a public comment period. The final CAP will ultimately be formalized in an Agreed Order or Consent Decree with the WADOE, the Company, and the other PLPs. We have made provisions within our financial statements within the range of possible outcomes; however, the contents and cost of the final CAP and allocation of the responsibility between the identified PLPs 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 PaDEP and us. Under the COA, we are required to achieve certain periodic removal objectives and ultimately remove the entire pile by August 31, 2025. There are currently $2.3 million in bonds posted in connection with these obligations. If we are unable to remove this pile by August 31, 2025, then the bonds will be forfeited, and we may be subject to penalties by PaDEP. We currently anticipate meeting all applicable removal deadlines; however, if our operations should change, additional alternatives would be evaluated to meet the prescribed removal timeline.

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Note 21. Supplemental Cash Flow Information

(amounts in thousands)	Nine Months Ended September 24, 2022	Nine Months Ended September 25, 2021
Cash Operating Activities:		
Operating leases	$ 44,746	$ 44,018
Interest payments on financing lease obligations	120	161
Cash paid for amounts included in the measurement of lease liabilities	$ 44,866	$ 44,179
Cash Investing Activities:		
Purchases of securities for deferred compensation plan	(569)	—
Sale of securities for deferred compensation plan	83	—
Change in securities for deferred compensation plan	$ (486)	$ —
Non-cash Investing Activities:		
Property, equipment, and intangibles purchased in accounts payable	$ 3,806	$ 3,872
Property, equipment, and intangibles purchased with debt	7,652	3,836
Cash Financing Activities:		
Proceeds from issuance of new debt	$ —	$ 548,625
Borrowings on long-term debt	$ 571,977	258
Payments of long-term debt	(487,202)	(615,735)
Payments of debt issuance and extinguishment costs, including underwriting fees	—	(5,391)
Change in long-term debt	$ 84,775	$ (72,243)
Cash paid for amounts included in the measurement of finance lease liabilities	$ 1,333	$ 1,630
Non-cash Financing Activities:		
Debt issuance costs deducted from long-term debt borrowings in accounts payable	$ —	$ 58
Prepaid insurance funded through short-term debt borrowings	$ 16,486	$ 13,048
Shares surrendered for tax obligations for employee share-based transactions in accrued liabilities	$ 108	$ —
Accounts payable converted to installment notes	1,279	69
Other Supplemental Cash Flow Information:		
Cash taxes paid, net of refunds	$ 35,240	$ 30,813
Cash interest paid	43,895	40,996

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

FORWARD-LOOKING STATEMENTS

In addition to historical information, this 10-Q contains "forward-looking statements" within the meaning of Section 27A of the 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 10-Q are forward-looking statements. You can generally identify forward-looking statements by our use of forward-looking terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "seek," or "should," or the negative thereof or other variations thereon 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, including the impact of COVID-19, the outcome of legal proceeding, or future events or performance contained under the heading Item 2- *Management's Discussion and Analysis of Financial Condition and Results of Operations* 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 annual report on 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 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;
- our highly competitive business environment;
- failure to timely identify or effectively respond to consumer needs, expectations, or trends;
- failure to maintain the performance, reliability, quality, and service standards required by our customers;
- failure to successfully implement our strategic initiatives, including JEM;
- acquisitions or investments in other businesses that may not be successful;
- adverse outcome of pending or future litigation;
- declines in our relationships with and/or consolidation of our key customers;
- increases in interest rates and reduced availability of financing for the purchase of new homes and home construction and improvements;
- fluctuations in the prices of raw materials used to manufacture our products;
- delays or interruptions in the delivery of raw materials or finished goods;
- seasonal business with varying revenue and profit;
- changes in weather patterns;
- political, regulatory, economic, and other risks, including the impact of political conflict on the global economy and the ongoing impact of the COVID-19 pandemic, that arise from operating a multinational business;
- exchange rate fluctuations;
- disruptions in our operations;
- manufacturing realignments and cost savings programs resulting in a decrease in short-term earnings;
- our ERP system that we are currently implementing proving ineffective;
- security breaches and other cybersecurity incidents;
- increases in labor costs, potential labor disputes, and work stoppages at our facilities;
- 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;
- compliance costs with respect to legislative and regulatory proposals to restrict emission of GHGs;
- lack of transparency, threat of fraud, public sector corruption, and other forms of criminal activity involving government officials;
- product liability claims, product recalls, or warranty claims;
- inability to protect our intellectual property;
- pension plan obligations;
- our current level of indebtedness; and
- other risks and uncertainties, including those listed under Item 1A- *Risk Factors* in our 10-K and Item 1A- *Risk Factors* in this 10-Q.

Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements contained in this 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 10-Q, they may not be predictive of results or developments in future periods.

Any forward-looking statement in this 10-Q speaks only as of the date of this 10-Q or as of the date such statement was made. 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.

Unless the context requires otherwise, references in this 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.

This discussion should be read in conjunction with our historical financial statements and related notes thereto and the other disclosures contained elsewhere in this 10-Q. 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 annual report on Form 10-K and Item 1A – *Risk Factors* in this 10-Q and included elsewhere in this 10-Q.

This MD&A is a supplement to our financial statements and notes thereto included elsewhere in this 10-Q and is provided to enhance your understanding of our results of operations and financial condition. Our discussion of results of operations is presented in millions throughout the 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:

- 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 provider of windows, doors, wall systems, and other building products. We design, produce, and distribute an extensive range of interior and exterior doors, wood, vinyl, and aluminum windows, and related products for use in the new construction, R&R of residential homes, and, to a lesser extent, non-residential buildings.

We operate manufacturing and distribution facilities in 19 countries, located primarily in North America, Europe, and Australia. 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 three reportable segments: North America, Europe, and Australasia. Financial information related to our business segments can be found in Note 11 - *Segment Information* of our financial statements included elsewhere in this 10-Q.

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.

Comparison of the Three Months Ended September 24, 2022 to the Three Months Ended September 25, 2021

	Three Months Ended			
	September 24, 2022		September 25, 2021	
(amounts in thousands)		% of Net Revenues		% of Net Revenues
Net revenues	$ 1,295,810	100.0 %	$ 1,146,585	100.0 %
Cost of sales	1,045,031	80.6 %	918,513	80.1 %
Gross margin	250,779	19.4 %	228,072	19.9 %
Selling, general and administrative	192,394	14.8 %	173,774	15.2 %
Goodwill impairment	54,885	4.2 %	—	— %
Impairment and restructuring charges	6,579	0.5 %	576	0.1 %
Operating (loss) income	(3,079)	(0.2)%	53,722	4.7 %
Interest expense, net	21,138	1.6 %	19,377	1.7 %
Other income	(7,690)	(0.6)%	(3,251)	(0.3)%
(Loss) income before taxes	(16,527)	(1.3)%	37,596	3.3 %
Income tax expense (benefit)	16,665	1.3 %	(2,946)	(0.3)%
Net (loss) income	$ (33,192)	(2.6)%	$ 40,542	3.5 %

Consolidated Results

Net Revenues – Net revenues increased $149.2 million, or 13.0%, to $1,295.8 million in the three months ended September 24, 2022 from $1,146.6 million in the three months ended September 25, 2021. The increase was due to an improvement in core revenues of 18%, partially offset by an unfavorable impact from foreign exchange of 5%. Core revenues increased due to a 15% benefit from pricing and favorable volume/mix of 3%.

Gross Margin – Gross margin increased $22.7 million, or 10.0%, to $250.8 million in the three months ended September 24, 2022 from $228.1 million in the three months ended September 25, 2021. Gross margin as a percentage of net revenues was 19.4% in the three months ended September 24, 2022 and 19.9% in the three months ended September 25, 2021. The decrease in gross margin percentage was due to the impact of inflation on material costs as well as expenses for freight, labor compensation, and utilities, partially offset by improved pricing, favorable volume/mix and improved productivity.

SG&A Expense – SG&A expense increased $18.6 million, or 10.7%, to $192.4 million in the three months ended September 24, 2022 from $173.8 million in the three months ended September 25, 2021. SG&A expense as a percentage of net revenues decreased to 14.8% in the three months ended September 24, 2022 from 15.2% in the three months ended September 25, 2021. The increase in SG&A expense was primarily due to increased self-insurance costs and variable compensation expenses, partially offset by decreased sales and marketing and research and development expenditures.

Goodwill Impairment – Goodwill impairment charges of $54.9 million in the three months ended September 24, 2022 relate to goodwill impairment charges associated with our Europe reporting unit. For more information, refer to Note 5 – *Goodwill* in our consolidated financial statements included in this 10-Q.

Impairment and Restructuring Charges – Impairment and restructuring charges increased $6.0 million, or 1,042.2%, to $6.6 million in the three months ended September 24, 2022 from $0.6 million in the three months ended September 25, 2021. The increase in impairment and restructuring charges of $6.0 million in the current period was primarily due to strategic transformation initiatives

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and footprint rationalization activities in our North America and Europe segments as well as repositioning the management structure to align with our operations.

Interest Expense, Net – Interest expense, net increased $1.8 million, or 9.1%, to $21.1 million in the three months ended September 24, 2022 from $19.4 million in the three months ended September 25, 2021. The increase was primarily due to an increase to the cost of borrowing on our Term Loan Facility and increased borrowings on the ABL Facility in the current period, partially offset by interest income from interest rate derivatives in the current period.

Other Income – Other income increased $4.4 million to $7.7 million in the three months ended September 24, 2022 from $3.3 million in the three months ended September 25, 2021. Other income in the three months ended September 24, 2022 consisted primarily of foreign currency gains of $3.3 million, insurance reimbursements of $1.5 million, pension income of $1.3 million, and the recovery of cost from interest received on impaired notes of $0.5 million. Other income in the three months ended September 25, 2021 consisted primarily of foreign currency gains of $3.2 million and governmental pandemic assistance reimbursements and government grants of $0.8 million, partially offset by a loss on extinguishment of debt of $1.3 million and a loss on sale or disposal of property and equipment of $0.6 million.

Income Taxes – Income tax expense (benefit) increased $19.6 million to a tax expense of $16.7 million in the three months ended September 24, 2022 compared to a tax benefit of $2.9 million in the three months ended September 25, 2021. The effective tax rate in the three months ended September 24, 2022 was (100.8)% compared to (7.8)% in the three months ended September 25, 2021. The increase in the effective tax rate in the three months ended September 24, 2022 was primarily due to the $54.9 million goodwill impairment. The increase in tax expense of $19.6 million in the current period was primarily due discrete tax expenses of $1.9 million in the current period compared to discrete tax benefits of $9.3 million in the prior period and the mix of income between jurisdictions in which the Company does business. For more information, refer to Note 10 – *Income Taxes* in our consolidated financial statements included in this 10-Q.

Comparison of the Nine Months Ended September 24, 2022 to the Nine Months Ended September 25, 2021

	Nine Months Ended			
	September 24, 2022		September 25, 2021	
(amounts in thousands)		% of Net Revenues		% of Net Revenues
Net revenues	$ 3,797,800	100.0 %	$ 3,484,783	100.0 %
Cost of sales	3,097,558	81.6 %	2,728,855	78.3 %
Gross margin	700,242	18.4 %	755,928	21.7 %
Selling, general and administrative	565,877	14.9 %	554,019	15.9 %
Goodwill impairment	54,885	1.4 %	—	— %
Impairment and restructuring charges	11,876	0.3 %	2,648	0.1 %
Operating income	67,604	1.8 %	199,261	5.7 %
Interest expense, net	59,714	1.6 %	56,692	1.6 %
Other income	(35,914)	(0.9)%	(13,940)	(0.4)%
Income before taxes	43,804	1.2 %	156,509	4.5 %
Income tax expense	31,698	0.8 %	29,772	0.9 %
Net income	$ 12,106	0.3 %	$ 126,737	3.6 %

Consolidated Results

Net Revenues – Net revenues increased $313.0 million, or 9.0%, to $3,797.8 million in the nine months ended September 24, 2022 from $3,484.8 million in the nine months ended September 25, 2021. The increase was due to an improvement in core revenues of 13%, partially offset by an unfavorable impact from foreign exchange of 4%. Core revenues increased due to a 13% benefit from pricing.

Gross Margin – Gross margin decreased $55.7 million, or 7.4%, to $700.2 million in the nine months ended September 24, 2022 from $755.9 million in the nine months ended September 25, 2021. Gross margin as a percentage of net revenues was 18.4% in the nine months ended September 24, 2022 and 21.7% in the nine months ended September 25, 2021. The decrease in gross margin percentage was primarily due to the impact of inflation on material costs as well as expenses for freight, labor compensation, and utilities, partially offset by improved pricing and improved productivity.

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SG&A Expense – SG&A expense increased $11.9 million, or 2.1%, to $565.9 million in the nine months ended September 24, 2022 from $554.0 million in the nine months ended September 25, 2021. SG&A expense as a percentage of net revenues decreased to 14.9% in the nine months ended September 24, 2022 from 15.9% in the nine months ended September 25, 2021. The increase in SG&A expense was primarily due to increased self-insurance costs and sales and marketing and research and development expenditures, partially offset by decreased legal and professional fees.

Goodwill Impairment – Goodwill impairment charges of $54.9 million in the nine months ended September 24, 2022 relate to goodwill impairment charges associated with our Europe reporting unit. For more information, refer to Note 5 – *Goodwill* in our consolidated financial statements included in this 10-Q.

Impairment and Restructuring Charges – Impairment and restructuring charges increased $9.2 million, or 348.5%, to $11.9 million in the nine months ended September 24, 2022 from $2.6 million in the nine months ended September 25, 2021. The increase in restructuring charges is primarily due to strategic transformation initiatives and footprint rationalization activities in our North America and Europe segments in the current year compared to the prior year.

Interest Expense, Net – Interest expense, net, increased $3.0 million, or 5.3%, to $59.7 million in the nine months ended September 24, 2022 from $56.7 million in the nine months ended September 25, 2021. The increase was primarily due to an increase to the cost of borrowing on our Term Loan Facility and increased borrowings on the ABL Facility in the current period, partially offset by interest income from interest rate derivatives in the current period and the repayment of the term loan portion of the Australia Facility during the second quarter of 2021.

Other Income – Other income increased $22.0 million, or 157.6%, to $35.9 million in the nine months ended September 24, 2022 from $13.9 million in the nine months ended September 25, 2021. Other income in the nine months ended September 24, 2022 primarily consisted of the recovery of cost from interest received on impaired notes of $14.0 million, foreign currency gains of $8.7 million, insurance reimbursements of $6.3 million, and pension income of $4.2 million. Other income in the nine months ended September 25, 2021 primarily consisted of foreign currency gains of $12.1 million and governmental pandemic assistance reimbursements and government grants of $1.3 million, partially offset by a loss on extinguishment of debt of $1.3 million and a loss on sale or disposal of property and equipment of $0.9 million.

Income Taxes – Income tax expense increased $1.9 million, or 6.5%, to $31.7 million in the nine months ended September 24, 2022 from $29.8 million in the nine months ended September 25, 2021. The effective tax rate in the nine months ended September 24, 2022 was 72.4% compared to 19.0% in the nine months ended September 25, 2021. The increase in the effective tax rate in the nine months ended September 24, 2022 was primarily due to the $54.9 million goodwill impairment. The increase in tax expense of $1.9 million in the current period was primarily due to a decrease in discrete tax benefits of $4.5 million in the current period compared $10.9 million in the prior period and the mix of income between jurisdictions in which the Company does business, partially offset by a decrease in income before taxes of $112.7 million. For more information, refer to Note 10 – *Income Taxes* in our consolidated financial statements included in this 10-Q.

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Segment Results

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 have determined that we have three reportable segments, organized and managed principally by geographic region. Our reportable segments are North America, Europe, and Australasia. We report all other business activities in Corporate and unallocated costs. We define Adjusted EBITDA as net income (loss), adjusted for the following items: loss from discontinued operations, net of tax; equity earnings of non-consolidated entities; income tax (benefit) expense; depreciation and amortization; interest expense, net; impairment and restructuring charges; gain on previously held shares of equity investment; (gain) loss on sale of property and equipment; share-based compensation expense; non-cash foreign exchange transaction/translation (income) loss; other non-cash items; other items; and costs related to debt restructuring and debt refinancing. For additional information on segment Adjusted EBITDA, see Note 11 - *Segment Information* to our consolidated financial statements included in this 10-Q.

Comparison of the Three Months Ended September 24, 2022 to the Three Months Ended September 25, 2021

	Three Months Ended		
(amounts in thousands)	**September 24, 2022**	**September 25, 2021**	
Net revenues from external customers			**% Variance**
North America	$ 835,134	$ 676,793	23.4 %
Europe	304,891	322,554	(5.5)%
Australasia	155,785	147,238	5.8 %
Total Consolidated	$ 1,295,810	$ 1,146,585	13.0 %
Percentage of total consolidated net revenues			
North America	64.4 %	59.1 %	
Europe	23.6 %	28.1 %	
Australasia	12.0 %	12.8 %	
Total Consolidated	100.0 %	100.0 %	
Adjusted EBITDA(1)			
North America	$ 105,291	$ 76,889	36.9 %
Europe	18,086	23,780	(23.9)%
Australasia	19,940	17,565	13.5 %
Corporate and unallocated costs	(26,788)	(19,362)	38.4 %
Total Consolidated	$ 116,529	$ 98,872	17.9 %
Adjusted EBITDA as a percentage of segment net revenues			
North America	12.6 %	11.4 %	
Europe	5.9 %	7.4 %	
Australasia	12.8 %	11.9 %	
Total Consolidated	9.0 %	8.6 %	

(1) Adjusted EBITDA is a financial measure that is not calculated in accordance with GAAP. For a discussion of our presentation of Adjusted EBITDA, see Note 11 – *Segment Information* in our unaudited interim consolidated financial statements.

North America

Net revenues in North America increased $158.3 million, or 23.4%, to $835.1 million in the three months ended September 24, 2022 from $676.8 million in the three months ended September 25, 2021. The increase was primarily due to an increase in core revenues of 23%. Core revenues increased due to a 17% benefit from pricing and favorable volume/mix of 6%.

Adjusted EBITDA in North America increased $28.4 million, or 36.9%, to $105.3 million in the three months ended September 24, 2022 from $76.9 million in the three months ended September 25, 2021. The increase was primarily due to favorable pricing and improved volume/mix, partially offset by the effect of inflation on material costs as well as expenses for freight and labor compensation.

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Europe

Net revenues in Europe decreased $17.7 million, or 5.5%, to $304.9 million in the three months ended September 24, 2022 from $322.6 million in the three months ended September 25, 2021. The decrease was due to an unfavorable impact from foreign exchange of 15%, partially offset by an increase in core revenues of 10%. Core revenues increased due to a 13% benefit from pricing, partially offset by unfavorable volume/mix of 3%.

Adjusted EBITDA in Europe decreased $5.7 million, or 23.9%, to $18.1 million in the three months ended September 24, 2022 from $23.8 million in the three months ended September 25, 2021. The decrease was primarily due to the effect of inflation on material costs as well as expenses for freight, utilities, and labor compensation and unfavorable volume/mix, partially offset by favorable pricing and improved productivity.

Australasia

Net revenues in Australasia increased $8.5 million, or 5.8%, to $155.8 million in the three months ended September 24, 2022 from $147.2 million in the three months ended September 25, 2021. The increase was primarily due to an increase in core revenues of 14%, partially offset by an unfavorable impact from foreign exchange of 8%. Core revenues increased due to a 10% benefit from pricing and favorable volume/mix of 4%.

Adjusted EBITDA in Australasia increased $2.4 million, or 13.5%, to $19.9 million in the three months ended September 24, 2022 from $17.6 million in the three months ended September 25, 2021. The increase was primarily due to favorable pricing and improved volume/mix, partially offset by the effect of inflation on material costs and labor compensation.

Corporate and unallocated costs

Corporate and unallocated costs increased in the three months ended September 24, 2022 compared to the three months ended September 25, 2021 primarily due to the increased self insurance costs and variable compensation, partially offset by a gain on foreign exchange transactions, insurance recoveries, and recovery of cost from interest received on impaired notes in the current period resulting in a decrease to Adjusted EBITDA of $7.4 million, or 38.4%.

Comparison of the Nine Months Ended September 24, 2022 to the Nine Months Ended September 25, 2021

	Nine Months Ended		
(amounts in thousands)	September 24, 2022	September 25, 2021	
Net revenues from external customers			% Variance
North America	$ 2,396,584	$ 2,056,536	16.5 %
Europe	968,210	992,816	(2.5) %
Australasia	433,006	435,431	(0.6) %
Total Consolidated	$ 3,797,800	$ 3,484,783	9.0 %
Percentage of total consolidated net revenues			
North America	63.1 %	59.0 %	
Europe	25.5 %	28.5 %	
Australasia	11.4 %	12.5 %	
Total Consolidated	100.0 %	100.0 %	
Adjusted EBITDA(1)			
North America	$ 265,848	$ 272,002	(2.3) %
Europe	52,824	92,358	(42.8) %
Australasia	46,184	48,759	(5.3) %
Corporate and unallocated costs	(42,283)	(68,094)	(37.9) %
Total Consolidated	$ 322,573	$ 345,025	(6.5) %
Adjusted EBITDA as a percentage of segment net revenues			
North America	11.1 %	13.2 %	
Europe	5.5 %	9.3 %	
Australasia	10.7 %	11.2 %	
Total Consolidated	8.5 %	9.9 %	

(1) Adjusted EBITDA is a financial measure that is not calculated in accordance with GAAP. For a discussion of our presentation of Adjusted EBITDA, see Note 11 - *Segment Information* in our unaudited consolidated financial statements.

North America

Net revenues in North America increased $340.0 million, or 16.5%, to $2,396.6 million in the nine months ended September 24, 2022 from $2,056.5 million in the nine months ended September 25, 2021. The increase was due to an increase in core revenues of 17%. Core revenues increased due to a 15% benefit from pricing and favorable volume/mix of 2%.

Adjusted EBITDA in North America decreased $6.2 million, or 2.3%, to $265.8 million in the nine months ended September 24, 2022 from $272.0 million in the nine months ended September 25, 2021. The decrease was due to the impact of inflation on material costs as well as expenses for freight and labor compensation, partially offset by favorable pricing, improved volume/mix, and improved productivity.

Europe

Net revenues in Europe decreased $24.6 million, or 2.5%, to $968.2 million in the nine months ended September 24, 2022 from $992.8 million in the nine months ended September 25, 2021. The decrease was primarily due to an unfavorable impact from foreign exchange of 11%, partially offset by an increase in core revenue of 9%. Core revenues increased due to an 11% benefit from pricing, partially offset by unfavorable volume/mix of 2%.

Adjusted EBITDA in Europe decreased $39.5 million, or 42.8%, to $52.8 million in the nine months ended September 24, 2022 from $92.4 million in the nine months ended September 25, 2021. The decrease was primarily due to the impact of inflation on material costs as well as expenses for freight, utilities, and labor compensation and unfavorable volume/mix, partially offset by favorable pricing and improved productivity.

Australasia

Net revenues in Australasia decreased $2.4 million, or 0.6%, to $433.0 million in the nine months ended September 24, 2022 from $435.4 million in the nine months ended September 25, 2021. The decrease was primarily due to an unfavorable impact from foreign exchange of 7%, partially offset by an increase in core revenues of 6%. Core revenues increased due to an 8% benefit from pricing, partially offset by unfavorable volume/mix of 2%.

Adjusted EBITDA in Australasia decreased $2.6 million, or 5.3%, to $46.2 million in the nine months ended September 24, 2022 from $48.8 million in the nine months ended September 25, 2021. The decrease was primarily due to the impact of inflation on material costs and labor compensation and unfavorable volume/mix, partially offset by favorable pricing and improved productivity.

Corporate and unallocated costs

Corporate and unallocated costs decreased in the nine months ended September 24, 2022 compared to the nine months ended September 25, 2021 primarily due to the recovery of cost from interest received on impaired notes, a gain on foreign exchange transactions, reduced legal and professional fees, and insurance recoveries, partially offset by increased self-insurance and compensation costs in the current period resulting in an increase to Adjusted EBITDA of $25.8 million, or 37.9%.

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, Senior Notes, and Senior Secured Notes. Working capital fluctuates throughout the year and is affected by inflation, the seasonality of sales of our products, 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, which represent the substantial majority of our revenues, and decreases starting in the fourth quarter as inventory levels and accounts receivable decline. Inventories fluctuate for raw materials with long delivery lead times, such as steel, as we work through prior shipments and take delivery of new orders.

As of September 24, 2022, we had total liquidity (a non-GAAP measure) of $562.4 million, consisting of $199.8 million in unrestricted cash, $347.4 million available for borrowing under the ABL Facility, and AUD 23.0 million ($15.2 million) available for borrowing under the Australia Senior Secured Credit Facility, compared to total liquidity of $837.8 million as of December 31, 2021. The decrease in total liquidity was primarily due to both lower cash balances and lower availability on our ABL Facility at September 24, 2022 compared to December 31, 2021. The main driver to our lower cash balances are decreased earnings, higher working capital balances, and share repurchases. The reduced ABL Facility availability is driven by increased borrowings in the current period compared to the prior year end.

As of September 24, 2022, our cash balances, including $1.3 million of restricted cash, consisted of $14.9 million in the U.S. and $186.2 million in non-U.S. subsidiaries. In the third quarter, the Company repatriated $82.2 million from non-U.S. subsidiaries and repaid a portion of the outstanding ABL Facility. Based on our current level of operations, the seasonality of our business and anticipated growth, 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.

Based on hypothetical variable rate debt that would have resulted from drawing each revolving credit facility up to the full commitment amount, a 1.0% decrease in interest rates would have reduced our interest expense by $5.3 million in the nine months ended September 24, 2022. A 1.0% increase in interest rates would have increased our interest expense by $5.4 million in the same period. 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 December 2021, we amended our Australia Senior Secured Credit Facility resulting in reduced borrowing fees and reinstated maintenance financial covenant ratios to pre-pandemic thresholds.

In July 2021, we refinanced our existing Term Loan Facility and ABL Facility by issuing replacement loans that aggregated to $550.0 million in principal amount under the Term Loan Facility and added $100.0 million in potential additional revolving loan capacity to our ABL Facility.

As of September 24, 2022, we were in compliance with the terms of all of our Credit Facilities and the indentures governing the Senior Notes and Senior Secured 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. See Note 9 - *Long-Term Debt* to our consolidated financial statements for additional details.

Cash Flows

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

	Nine Months Ended	
(amounts in thousands)	**September 24, 2022**	**September 25, 2021**
Cash provided by (used in):		
Operating activities	$ (73,426)	$ 135,284
Investing activities	(42,726)	(68,458)
Financing activities	(47,858)	(346,159)
Effect of changes in exchange rates on cash and cash equivalents	(31,732)	(12,336)
Net change in cash and cash equivalents	$ (195,742)	$ (291,669)

Cash Flow from Operations

Net cash (used in) provided by operating activities changed $208.7 million to $73.4 million net cash used in the nine months ended September 24, 2022 from $135.3 million net cash provided in the nine months ended September 25, 2021. The increase in cash used in operating activities was due primarily to increased working capital and decreased earnings in the current period.

Cash Flow from Investing Activities

Net cash used in investing activities decreased $25.7 million to $42.7 million in the nine months ended September 24, 2022 from $68.5 million in the nine months ended September 25, 2021 primarily due to cash received from the recovery of cost from interest received on impaired notes of $14.0 million and a reduction in capital expenditures.

Cash Flow from Financing Activities

Net cash used in financing activities was $47.9 million in the nine months ended September 24, 2022 and consisted primarily repurchases of our Common Stock of $132.0 million, partially offset by net borrowings of $84.8 million.

Net cash used in financing activities was $346.2 million in the nine months ended September 25, 2021 and consisted primarily of repurchases of our Common Stock of $278.0 million and net debt repayments of $72.2 million.

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 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 10-K. Our significant and critical accounting policies have not changed significantly since our 10-K was filed.

Holding Company Status

We are a holding company that conducts all of our operations through subsidiaries, and we rely on dividends or advances from our subsidiaries to fund the holding company. The majority of our operating income is derived from JWI, our main operating subsidiary. The ability of our subsidiaries to pay dividends to us is subject to applicable local law and may be limited due to the terms of other contractual arrangements, including our Credit Facilities, Senior Notes, and Senior Secured Notes.

The Australia Senior Secured Credit Facility also contains restrictions on dividends that limit the amount of cash that the obligors under these facilities can distribute to JWI. Obligors under the Australia Senior Secured Credit Facility may pay dividends only to the extent they do not exceed 80% of after tax net profits (with a one-year carryforward of unused amounts) and only while no default is continuing under such agreement. For further information regarding the Australia Senior Secured Credit Facility, see Note 9 - *Long-Term Debt* in our consolidated financial statements.

The amount of our consolidated net assets that were available to be distributed under our credit facilities as of September 24, 2022 was $814.3 million.

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, adverse changes in interest rates, and adverse 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 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 Securities Exchange Act of 1934, as amended (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 principal executive officer ("CEO") and principal financial officer ("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 September 24, 2022.

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 September 24, 2022 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART II - OTHER INFORMATION

Item 1 - Legal Proceedings

Information relating to this item is included within Note 20 - *Commitments and Contingencies* of our financial statements included elsewhere in this 10-Q.

Item 1A - Risk Factors

Except the updates to the risk factors set forth below, there have been no material changes in our risk factors from those disclosed in our Annual Report on Form 10-K included in Part I Item 1A - *Risk Factors* for the year ended December 31, 2021.

The ongoing conflict between Russia and Ukraine could have a material adverse effect on our business, financial condition, and results of operations.

In February 2022, the Russian military commenced an invasion of Ukraine, which is ongoing as of the date of this report. The impacts of the conflict, as well as sanctions imposed on Russia and economic and political uncertainty could have an adverse impact on our business. We do not have operations in Ukraine, and prior to the invasion, we held limited sales operations in Russia, which were discontinued in the first quarter of 2022. However, we have and may continue to experience heightened inflation on materials, freight, and other variable costs, such as utilities, primarily in our European operations. The risks to our business may include, among others, adverse impacts on our supply chain, including trade barriers or restrictions, transportation and operating disruptions, decreased customer demand, elevated inflation, cybersecurity incidents, unfavorable foreign exchange, and higher borrowing costs, any of which could have a material adverse impact on our business, financial condition, and results of operations.

Item 2 - Unregistered Sales of Equity Securities and Use of Proceeds

(c) Issuer Purchases of Securities

A summary of our repurchases of Common Stock during the third quarter of 2022 is as follows (in thousands, except share and per share amounts)**:**

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid Per Share (or Unit) [1]	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) That May Yet Be Purchased Under The Plans or Programs [2]
June 26, 2022 - July 23, 2022	1,641,084	$15.41	1,641,084	$1,184
July 24, 2022 - August 20, 2022	—	$—	—	$200,000
August 21, 2022 - September 24, 2022	—	$—	—	$200,000
Total	1,641,084	$15.41	1,641,084	

[1] Average price paid per share includes costs associated with the repurchases.

[2] In July 2021, our Board of Directors increased our existing repurchase authorization to a total of $400.0 million with no expiration date. On July 28, 2022, our Board of Directors authorized a new repurchase program, replacing our previous share repurchase authorization, with an aggregate value of $200.0 million and no expiration date.

Item 5 - Other Information

None.

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Item 6 - Exhibits

Exhibit No.	Exhibit Description	Form	File No.	Exhibit	Filing Date
10.1*+	Form of Separation Agreement between JELD-WEN Holding, Inc. and executive officers.				
10.2*+	Amendment to Executive Employment Agreement between JELD-WEN, Holding, Inc. and Kevin C. Lilly, effective August 3, 2022.				
10.3+	Form of Executive Employment Agreement between JELD-WEN Holding, Inc. and executive officers.	10-K	001-38000	10.24	February 22, 2022
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/ Julie Albrecht
Julie Albrecht
Executive Vice President and Chief Financial Officer

Date: October 31, 2022

Exhibit 10.1

[DATE]

CONFIDENTIAL

[ADDRESS]

Re: Separation Agreement

Dear [NAME],

Your employment with JELD-WEN, Inc. ("the Company") will end effect upon your resignation from the Company on [DATE] (the "Resignation Date"). Pursuant to the terms of your employment agreement with the Company dated [DATE] (the "Employment Agreement"), you also resigned your position as a [TITLE] of [the Company] [and any of the Company's subsidiaries] on [DATE]. You are sometimes referred to as "Executive" in this Agreement.

In connection with your departure, the Company is making available to you this departure and release agreement (this "Agreement"). Under this Agreement, if you choose to accept it and do not exercise your right to revoke, as set forth in Paragraph 9, you will receive severance compensation above and beyond your final paycheck in accordance with Section 5(d) of your Employment Agreement as set forth below (less applicable withholdings and payment of any outstanding credit card charges or other debts owed to the Company):

A. Payments

Pay in Lieu of Notice $ [●]

In lieu of working a 30 days' notice period, the Company will pay you at your annual salary rate in effect on the date of resignation for an additional [●] days beyond the Resignation Date. Payment will be made on the next payroll date following [●] days after your return of an executed original of this Agreement to [NAME], [TITLE], provided that you have not revoked this Agreement.

Severance Pay $ [●]

Representing one year's base pay and your target annual bonus, severance pay will be made in [●] equal [bi-weekly/monthly] installments, commencing within [●] days after, either (1) your return of an executed original of this Agreement to [NAME] or (2) the resignation date, whichever is later (the "Severance Period"), provided that you have not revoked this Agreement.

[YEAR] Bonus **$ [•]**

You are otherwise eligible to receive a prorated bonus for MIP plan year [•]. Given the 6+6 estimated annual performance falls below threshold performance, the payment will be $[•].

Please note that applicable state and federal tax withholding rules may require the Company to withhold taxes from these amounts at a higher percentage than typically is required for payments of regular wages.

B. Equity

Your stock options, restricted stock units and performance stock units will continue to be governed by the applicable agreements under which they were granted; [provided, however, that (i) you shall have [•] years from the Resignation Date to exercise any vested and exercisable stock options, if you chose to do so; and (ii) that, notwithstanding the foregoing, in consideration of you making yourself available to the Company for all inquiries and questions during the Severance Period,] the restricted stock units and performance stock units granted on [DATE] shall vest in accordance with the terms of such restricted stock units or performance stock units (based on actual performance), as applicable, on [DATE] as though you were still employed by the Company. [You will have [•] days from your date of termination to exercise any vested stock options if you choose to do so.]In the event you decide to exercise your options, you will login into the Shareworks website and follow the instructions.

C. COBRA

You are eligible to participate in the Company's Health Plan through COBRA. Details about COBRA elections will be sent separately. [If you elect to continue participation through COBRA and have completed all necessary paperwork to make a COBRA election,] effective the first of the month following your termination date, the Company will reimburse you for health coverage through COBRA for a period of up to [•] months up to the amount the Company would have paid for insurance on your behalf if you remained employed.

[This payment will be provided to you in form of one lump sum, as soon as practicable following the Resignation Date, but in no event more than [•] days after the Release becomes effective and irrevocable in accordance with its terms.]

To obtain reimbursement, send COBRA receipts to:
JELD-WEN, Inc.
Attn: [NAME]
[ADDRESS]

D. Outplacement Services

You are eligible for outplacement services at a value of up to $[•] to be utilized within one year of your date of termination. Please coordinate with [NAME] to arrange for such services.

In exchange for these benefits, which you would otherwise not be entitled to receive, you agree to the terms described below, which include a general release of claims.

E. Tax Reimbursement/Tax Services

[The Company will reimburse you for your costs associated with [your chosen tax advisor] assisting in the filing of your U.S. Federal and state and foreign income tax returns for calendar year [YEAR] to the extent those costs directly relate to your assignment with the Company ("Assignment Income") and do not extend to personal tax advice or financial planning. Your U.S. Federal and state tax returns must be completed by no later than [DATE]. When your actual U.S. Federal and state tax returns are completed, [your chosen tax advisor] will calculate your final [theoretical] (U.S.) tax liability related to your Assignment Income. If the hypothetical tax amount previously withheld by the Company related to your Assignment Income exceeds this amount, you will be refunded the excess within [•] days after completion of the tax equalization settlement calculation. If the hypothetical tax amount withheld by the Company related to your Assignment Income is insufficient to cover this liability, you will be responsible to pay the difference to the Company within [•] days after completion of the tax equalization settlement.]

Separation Agreement

1. Release of Claims

Executive hereby irrevocably, fully and finally releases the Company, its parent, subsidiaries, affiliates, directors, officers, agents and employees ("Releasees") from all causes of action, claims, suits, demands or other obligations or liabilities, whether known or unknown, suspected or unsuspected, that Executive ever had or now has as of the time that Executive signs this release which relate to his hiring, his employment with the Company, the termination of his employment with the Company and claims asserted in shareholder derivative actions or shareholder class actions against the Company and its officers and Board, to the extent those derivative or class actions relate to the period during which Executive was employed by the Company. The claims released include, but are not limited to, any claims arising from or related to Executive's employment with the Company, such as claims arising under (as amended) Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Age Discrimination in Employment Act of 1974, the Americans with Disabilities Act, the Equal Pay Act, the Fair Labor Standards Act, the California Fair Employment and Housing Act, the California Labor Code, the Employee Retirement Income and Security Act of 1974 ("ERISA") (except for any vested right Executive has to benefits under an ERISA plan), the state and federal Worker Adjustment and Retraining Notification Act, and the California Business and Professions Code; any other local, state, federal, or foreign law governing employment; and the common law of contract and tort. In no event, however, shall any claims, causes of action, suits, demands or other obligations or liabilities be released pursuant to the foregoing if and to the extent they relate to:

(i) claims for workers' compensation benefits under any of the Company's workers' compensation insurance policies or funds;

(ii) claims related to Executive's COBRA rights;

(iii) claims for indemnification from the Company to which Executive is or may become entitled, including but not limited to claims submitted to an insurance company providing the Company with directors and officers liability insurance; and

(iv) any claims for benefits under any employee benefit plans of the Company that become due or owing at any time following Executive's termination of employment, including, but not limited to, any ERISA plans, deferred compensation plans or equity plans.

Executive represents and warrants that he has not filed any claim, charge or complaint against any of the Releases.

Executive intends that this release of claims cover all claims, whether or not known to Executive. Executive further recognizes the risk that, subsequent to the execution of this release, Executive may incur loss, damage or injury which Executive attributes to the claims encompassed by this release. Executive expressly assumes this risk by signing this release and voluntarily and specifically waives any rights conferred by California Civil Code section 1542 which provides as follows:

> A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor which if known by him or her must have materially affected his or her settlement with the debtor.

Executive also hereby waives any rights under the laws of the Commonwealth of Virginia, the State of New York, or any other jurisdiction which Executive may otherwise possess that are comparable to those set forth under California Civil Code section 1542.

Executive represents and warrants that there has been no assignment or other transfer of any interest in any claim by Executive that is covered by this release.

Executive acknowledges that he has been given at least 21 days in which to review and consider this release, although Executive is free to execute this release at any time within that 21-day period. Executive acknowledges that he has been advised to consult with an attorney about this release. Executive also acknowledges his understanding that if Executive signs this release, Executive will have an additional 7 days from the date that Executive signs this release to revoke that acceptance, which Executive may effect by means of a written notice sent to the General Counsel of the Company at the Company's corporate headquarters. If this 7-day period expires without a timely revocation, Executive acknowledges and agrees that this release will become final and effective on the eighth day following the date of Executive's signature, which eighth day will be the effective date of this release.

Executive acknowledges and agrees that his execution of this release is supported by independent and adequate consideration in the form of payments and/or benefits from the Company to which Executive would not have become entitled if he had not signed this release.

2. <u>Section 409A.</u>

a) It is intended that all of the severance payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the

Code and the regulations and other guidance thereunder and any state law of similar effect (collectively, "Section 409A") provided under Treasury Regulations Sections 1.409A-1(b)(4) and 1.409A-1(b)(9), and this Agreement will be construed in a manner that complies with Section 409A so as not to subject Executive to the payment of the tax, interest and any tax penalty which may be imposed under Section 409A. The provisions of this Agreement shall be interpreted in a manner consistent with such intent. To the extent that any provision of this Agreement would otherwise result in Executive being subject to payment of any tax, interest or tax penalty under Section 409A, the Company and Executive agree to amend this Agreement in a manner that brings this Agreement into compliance with Code Section 409A and preserves to the maximum extent possible the economic value of the relevant payment or benefit under this Agreement to Executive.

b) With respect to any payments or benefits provided to Executive under this Agreement which arc subject either in whole or in part to Section 409A, the Company shall discharge its obligations under this Agreement and the Employment Agreement with respect to such payments or benefits in compliance with all applicable requirements of Section 409A. If Executive incurs any taxes or interest as a result of failure by the Company or any agent of the Company to discharge its obligations under this Agreement in compliance with the requirements of Section 409A, the Company shall reimburse Executive in full for the amount of such taxes and interest (and for the amount of any additional taxes payable with respect to such reimbursement) so that Executive is restored to the same after-tax position in which Executive would have been in had the noncompliance with Section 409A not occurred.

c) No severance payments will be made under this Agreement unless Executive's termination of employment constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)).

d) For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulations Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement (whether severance payments or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment.

e) If Executive is a specified employee for purposes of Section 409A(a)(2)(B)(i), any payment or provision of benefits that is nonqualified deferred compensation subject to Section 409A and that is made in connection with a separation from service payment event (as determined for purposes of Section 409A) shall not be paid prior to the earlier of (x) the expiration of the six-month period measured from the date of Executive's separation from service or (y) the date of Executive's death (the "409A Deferral Period"). In the event such payments are otherwise due to be made in installments or periodically during the 409A Deferral Period, the payments which would otherwise have been made in the 409A Deferral Period shall be accumulated and paid in a lump sum as soon as the 409A Deferral Period ends, and the balance of the payments shall be made as otherwise scheduled. In the event benefits are required to be deferred, any such benefit may be provided during the 409A Deferral Period at Executive's expense, with Executive having a right to reimbursement from the Company once the 409A Deferral Period ends, and the balance of the benefits shall be provided as otherwise scheduled.

3. **Knowing and Voluntary Acceptance of Agreement and Release**

You acknowledge that you have carefully read the Agreement, understand its contents, and have had the opportunity to consult with an attorney if you wish to do so. You acknowledge that the Company advises you to consult with an attorney regarding this agreement. You understand that you are releasing legal rights, including, without limitation, those identified in the Release of Claims set forth above. You also acknowledge that, as consideration for executing this Agreement, including the Release of Claims, you are receiving additional benefits and compensation to which you would not otherwise necessarily be entitled.

4. Applicable Law and Dispute Resolution

This Agreement shall be construed in accordance with and governed by the statutes and common law of the state of North Carolina. Any disputes arising in connection with the terms or enforcement of this Agreement shall be resolved by confidential mediation or binding arbitration in the State of North Carolina in accordance with the procedures of the American Arbitration Association or other procedures agreed upon by you and the Company; provided, however, that either party shall be entitled to seek provisional remedies in a court of competent jurisdiction. The costs of mediation and arbitration shall be borne equally by you and the Company.

5. Confidential and Proprietary Information and Non-Competition; Continuing Duties

You acknowledge that you have a fiduciary duty as a former employee and officer of the Company to keep confidential all proprietary and/or confidential information obtained by you during the course of your employment (including, but not limited to, as set forth in your Employment Agreement). You further acknowledge that you have continuing obligations to the Company and its subsidiaries under the terms of your Employment Agreement, including but not limited to non-compete and non-solicitation obligations. Additionally, you acknowledge that as a former Section 16 officer of the Company, you have continuing obligations with respect to reporting trades in the Company's stock. For a period of 6 months following your termination date, you will continue to notify the Corporate Secretary both in advance and following any such trades made by you or by any affiliated individual.

6. Intellectual Property

You acknowledge that all intellectual property (including without limitation any invention, design, technique, patent, or the like) conceived or created by you during your employment with the Company is the property of the Company. You also acknowledge that you have an obligation to cooperate with the Company in disclosing such intellectual property to the Company, and in assigning such intellectual property to the Company, including signing any necessary documents. You hereby acknowledge and expressly reaffirm these obligations, and further agree to cooperate with the Company after your employment ends by disclosing and confirming the Company's ownership in any such intellectual property conceived or created during your employment with the Company (including without limitation signing necessary documents at the Company's request), in exchange for the consideration provided to you under this Agreement.

7. Indemnity

The Company acknowledges that it has previously agreed to certain indemnification obligations as it relates to you (including, but not limited to, as set forth in your Employment Agreement). The Company further acknowledges and reaffirms that those obligations continue and survive your resignation. [In addition to the indemnification obligations previously agreed to, the Company also agrees to provide you with reasonable compensation for your time assisting, preparing, traveling, or testifying in any Proceeding (as defined in the Employment Agreement), whether as a witness, party, or otherwise, in the amount of $[•] per hour.]

8. Company Property

You acknowledge that you must immediately return to the Company all Company-owned equipment furnished to you, including but not limited to your company credit card, computer, printer, fax machine, keys, etc. You may keep your company provided tablet (iPad) and cellular phone (iPhone). This equipment must be returned in the same condition as it was when assigned to you, excepting normal wear, and you must not alter, delete, or otherwise modify any information contained on any such devices. The Company's obligations under this Agreement are contingent upon your return of all such property, and no payments will be made to you until such property has been returned.

9. Acknowledgement

You acknowledge that this Agreement contains the entire agreement and understanding between you and the Company and supersedes and replaces all prior negotiations and agreements concerning the subjects of this Agreement, except to the extent that your Employment Agreement continues to apply. You acknowledge that (a) you have read the Agreement and understand the effect of your release and that you are releasing legal rights including without limitation those identified in Paragraph 1; (b) are not relying on any representations or statements made by the Company or its representatives, other than those specifically contained in this Agreement; (c) you have had adequate time to consider this Agreement (as set forth below); (d) as consideration for executing this Agreement, you have received additional benefits and compensation of value to which you would not otherwise be entitled; and (e) you have been and hereby are advised in writing to review this Agreement with legal counsel of your choice prior to execution.

10. Time for Consideration of Offer and Agreement

You acknowledge that this offer provides you with a period of at least [•] days from the date of receipt for your consideration of the offer (the "Consideration Period"). In the event you have not executed this Agreement by the expiration of the Consideration Period, the offer shall expire. You may execute this Agreement at any time during this Consideration Period.

This Agreement shall be effective on the date it is signed. However, you shall have a period of [•] days from your execution of this Agreement in which you may revoke this Agreement. Notice of this revocation, if any, shall be made in writing addressed to [NAME] in the [OFFICE NAME] office with a copy to:

JELD-WEN Benefits and Administrative Services Department
Attn: [NAME]
[ADDRESS]

In the event you do not exercise your right to revoke this Agreement, this Agreement shall remain in effect and shall become effective and irrevocable on the date immediately following the [●] day revocation period described above.

11. Mutual Non-Disparagement

You agree that you will not make any untrue or misleading written or oral statement about the Company and its current officers and directors, or about your employment at JELD-WEN, Inc., that is intended or would reasonably be expected to cause harm to its and/or their reputation. Similarly, the Company agrees that its current officers and directors (including anyone acting expressly on their behalf) shall not make any untrue or misleading written or oral statement about you or your employment at JELD-WEN, Inc. that is intended or would reasonably be expected to cause harm to your reputation. You agree that you will not discuss your employment, termination, or any other Company matters with any investors, analysts, or other third parties; provided, however, that you and the Company will agree to appropriate responses to be given by each party in response to inquiries from your future prospective employers.

12. Severability

If any term, clause or portion of this Agreement shall, for any reason, be held to be invalid or unenforceable or to be contrary to public policy or any law, then the remainder of this Agreement shall not be affected by such invalidity or unenforceability but shall remain in full force and effect, as if the invalid or unenforceable term or portion thereof had not existed within this Agreement.

Sincerely,

JELD-WEN, Inc.

____

By: [NAME]
[TITLE]

I have read and understand the foregoing Agreement and, by signing below, I knowingly and voluntarily enter into this Agreement and understand that I am waiving and releasing legal claims that I may have against the Company. I also understand that the Company may be required to file this Agreement with the Securities and Exchange Commission pursuant to applicable regulations.

Accepted: ___________________________, 2022

____

____

[NAME]

Exhibit 10.2

August 3, 2022

CONFIDENTIAL

Kevin Lilly
2645 Silver Crescent Drive
Charlotte, NC 28273

Re: Interim CEO Amendment to Executive Employment Agreement

Dear Kevin,

On behalf of JELD-WEN Holding, Inc. ("JELD-WEN" or "Company") I am pleased to offer you the role of Interim Chief Executive Officer (CEO), to serve in such role during an undetermined transitional period while the Board of Directors selects and places a new Chief Executive Officer within the Company. During this transitional period, you will report directly to me, David Nord, Chair of the Board of Directors and have the duties normally associated with this position and such other duties as may be assigned from time to time.

This letter (the "Amendment") amends your existing Executive Employment Agreement and except as expressly amended by this Amendment, your terms of employment will continue to be governed by your Executive Employment Agreement. Any defined terms in this Amendment are as defined in your Executive Employment Agreement.

<u>Term</u>

The terms of this Amendment are to commence on or around August 3, 2022 and shall remain in effect until terminated by the Board of Directors in its sole discretion (the "Interim Period"). You hereby agree and acknowledge that none of (i) the modification of your duties, roles, responsibilities and reporting relationships, to include the role of Interim Chief Executive Officer, (ii) any changes to your compensation (including incentive compensation) and benefits provided under this Amendment, (iii) the modification of your duties, roles, responsibilities and reporting relationships to no longer include those associated with the role of Interim Chief Executive Officer at the conclusion of the Interim Period, and (iv) any changes to your compensation (including incentive compensation) and benefits provided under this Amendment to no longer include those associated with the role of Interim Chief Executive Officer at the conclusion of the Interim Period will provide a basis for any claim of Good Reason under the Executive Employment Agreement (including this Amendment).

Stipend
During the Interim Period, you will receive a stipend of $475,000 per annum ("Stipend"), which shall be paid $18,269 bi-weekly in accordance with the normal payroll practices of the Company in the United States as in effect from time to time. The Stipend will discontinue on the last full payroll at the time of the termination of this Amendment.

Annual Bonus
During the Interim Period, your target annual bonus under the MIP in respect of each Fiscal Year shall be 110% of your Base Salary, prorated for the months in which you are in the interim role. The prorated annual target % will be calculated by the number of months in the year while in the interim role multiplied by 110% and the remaining months while not in the interim role will be multiplied by 60%. For example, if you remain in the interim role for the remainder of Fiscal Year 2022, your pro-rated target bonus percent in 2022 will be 81% (calculated at 7 months at 60% and 5 months at 110%). For Fiscal Year 2022, you will receive a minimum guaranteed Annual Bonus of $250,000, payable in March 2023 and in accordance with the Company's normal annual bonus practices and MIP.

Annual Long-Term Incentive Awards
During the Interim Period, your annual target long-term incentive award shall be 140% of your Base Salary, and your maximum annual long-term incentive award will be 210% of your Base Salary. Any grant values under the plan or adjustments of your annual target long-term incentive award are at the discretion of and approved by the Compensation Committee of the Board of Directors as outlined in the Executive Employment Agreement.

Thank you for your consideration and support in fulfilling the interim role of Interim CEO. The Board of Directors and the Senior Leadership Team are at your disposal and support.

Best regards,

David Nord
Chair, JELD-WEN's Board of Directors

Accepted and Agreed,

__/s/ Kevin C. Lilly____________
Kevin C. Lilly

Exhibit 31.1

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

I, Kevin C. Lilly, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal period ended September 24, 2022 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: October 31, 2022

/s/ Kevin C. Lilly
Kevin C. Lilly
Interim Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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

I, Julie Albrecht, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal period ended September 24, 2022 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: October 31, 2022

/s/ Julie Albrecht
Julie Albrecht
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

Exhibit 32.1

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 September 24, 2022 (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: October 31, 2022

/s/ Kevin C. Lilly
Kevin C. Lilly
Interim Chief Executive Officer
(Principal Executive Officer)

/s/ Julie Albrecht
Julie Albrecht
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.