

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

FORM 8-K

**CURRENT REPORT
Pursuant To Section 13 OR 15(d) Of The Securities Exchange Act Of 1934**

Date of report (Date of earliest event reported)

June 10, 2021

PATRICK INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Indiana

(State or other jurisdiction
of incorporation)

000-03922

(Commission
File Number)

35-1057796

(IRS Employer
Identification Number)

107 W. Franklin Street, P.O. Box 638

(Address of Principal Executive Offices)

Elkhart,

Indiana

46515

(Zip Code)

Registrant's Telephone Number, including area code

(574)

294-7511

(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, no par value	PATK	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). 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.

Item 7.01 Regulation FD Disclosure

The information referenced in this Form 8-K is furnished pursuant to Item 7.01, "Regulation FD Disclosure." Such information, including the Exhibit attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

(a) Slides for Investor Presentation as contained in Exhibit 99.1

Item 9.01 Financial Statements and Exhibits

(d) Exhibit

[Exhibit 99.1](#) - Slide for Investor Presentation.

Exhibit 104 - Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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 hereunto duly authorized.

PATRICK INDUSTRIES, INC.

(Registrant)

Date: June 10, 2021

By: /s/ James E. Rose

James E. Rose

Principal Accounting Officer



Investor Presentation

June 2021



Forward-Looking Statements

This presentation contains certain statements related to future results, our intentions, beliefs and expectations or predictions for the future which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from either historical or anticipated results depending on a variety of factors. These risks and uncertainties include, but are not limited to, the impact of the continuing financial and operations uncertainty due to the COVID-19 pandemic, including its impact on the overall economy, our sales, customers, operations, team members and suppliers. Further information concerning the Company and its business, including factors that potentially could materially affect the Company's financial results, is contained in the Company's filings with the Securities and Exchange Commission.

This presentation includes market and industry data, forecasts and valuations that have been obtained from independent consultant reports, publicly available information, various industry publications and other published industry sources. Although we believe these sources are reliable, we have not independently verified the information and cannot make any representation as to the accuracy or completeness of such information.

We disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this presentation or to reflect any change in our expectations after the date of this presentation or any change in events, conditions or circumstances on which any statement is based.

Use Of Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures. These measures, the purposes for which management uses them, why management believes they are useful to investors, and a reconciliation to the most directly comparable GAAP financial measures can be found in the Appendix of this presentation. All references to profit measures and earnings per share on a comparable basis exclude items that affect comparability.



Company Snapshot

Market Leader with a Focus on Delivering High-Quality, Reliable Products and Solutions

1959
Founded

\$2.0B
Market Cap ¹

Elkhart, IN
Headquarters

~9,500
Team members

Q1'2021 LTM Highlights:

Net Sales	\$2.7B
PF Adjusted EBITDA ²	\$348MM
Operating Cash Flow	\$197MM
Free Cash Flow ³	\$159MM
Liquidity ⁴	\$303MM
Net Leverage ⁵	2.30x

Key **component manufacturer and supplier** to the Leisure Lifestyle and Housing & Industrial Markets



Operations in 23 U.S. States, Canada, and China



¹ As of 6/8/2021 | ² Includes pro forma acquisition adjustments | ³ Operating Cash Flow less Capex | ⁴ As of 3/28/21 | ⁵ As defined by credit agreement

Diversified Market Platform

Patrick is a leading player in the Leisure Lifestyle and Housing & Industrial markets, as well as Aftermarket services within the markets it serves

Leisure Lifestyle

RV

- Segmented industry based on proximity to customer locations
- Closest competitors have a fraction of Patrick's sales and are generally local or regional

Marine

- Ability to leverage Patrick business model to further grow market share
- The Company has increased its focus in this market through recent acquisitions, particularly within the last 3 years

Housing & Industrial

MH

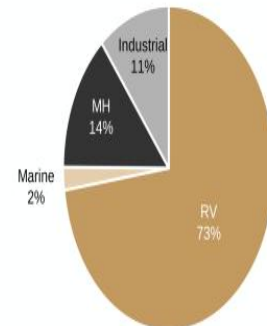
- Multiple products across the value chain allow good, better and best offering
- Leverage current product offering capabilities to grow content per unit

Industrial

- Large opportunity for market share gain
- Addressable market opportunities in residential (both single and multi-family), commercial high rise, big box retail, office furniture and hospitality/schools

End Market Evolution ¹

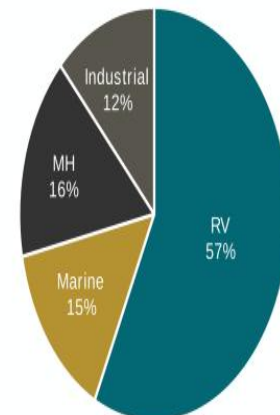
2015



2015 Net Sales: \$920MM / Adj. EBITDA (%): 9.9%

Improved Diversification

Q1'2021 LTM



Q1'2021 LTM Net Sales: \$2.7B / PF LTM Adj. EBITDA (%): 12.7%

¹ Based on FYE net sales by end market

Leisure Lifestyle (72% of Q1'21 LTM Sales)

End Market Statistics

\$2.0 Billion
of Q1'21 LTM Net Sales

20%
FY 2015-2020CAGR

Highlights

- ✓ New buyer traffic and activity remains strong
- ✓ Inventories at historic lows with retail sales outpacing wholesale shipments
- ✓ Increasing OEM backlogs
- ✓ Completed 12 marine acquisitions since 2018
- ✓ Completed 7 RV acquisitions since 2018

Strategic Investment

- ✓ \$765 million invested towards strategic acquisitions since 2018
- ✓ Over \$65 million invested in capacity expansion, cost reduction, and new product development to enhance organic growth since 2018

End Market Product Categories:

RV Product Categories

Towable

Shipments: 89% Wholesale | 64% Retail Value

Travel Trailer | ASP: \$25,300



Fifth Wheel | ASP: \$55,200



Motorized

Shipments: 11% Wholesale | 36% Retail Value

Class A | ASP: \$214,000



Class B & C | ASP: \$95,800



Marine Product Categories

Pontoon

ASP: \$44,300 | 27% of Market



Ski & Wake

ASP: \$111,000 | 5% of Market



Fiberglass

ASP: \$81,300 | 39% of Market



Aluminum

ASP: \$26,500 | 29% of Market



Leisure Lifestyle Overview- Marine

Key Customers:



MasterCraft



Competitive Advantage

- ✓ Fully integrated into manufacturers' design process
- ✓ Highly engineered and specialized products lead to high switching costs for the OEMs
- ✓ Geographically situated to provide JIT inventory management to OEMs
- ✓ Array of brands and capabilities allows Patrick to provide good, better and best options

Key Product / Aftermarket Categories

- ✓ Fiberglass and Plastic Thermoformed Helm Systems
- ✓ Wiring and Wire Harnesses
- ✓ Electrical Systems and Components
- ✓ Boat Covers, Towers, Tops, and Frames
- ✓ Anchoring, Docking, and Boarding

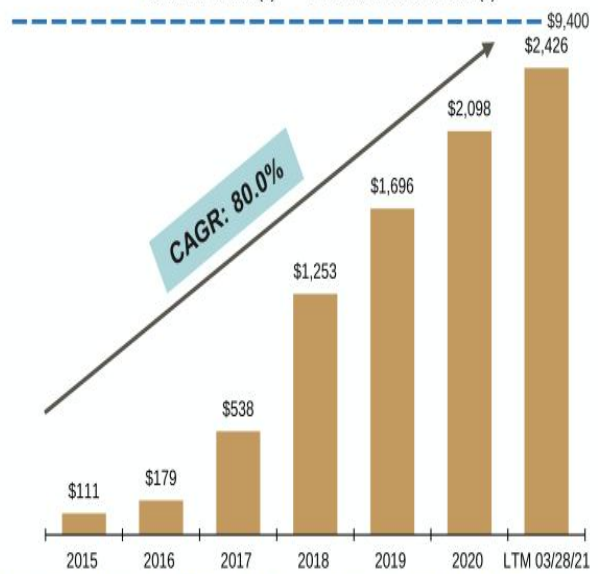
Marine Net Sales

(\$ in millions)



Content Per Unit

Content Per Unit (\$) Potential Content Per Unit (\$)



Addressable Market: ~\$2.0 billion | Potential Content per Unit: \$9,400

Leisure Lifestyle Overview- RV

Key Customers:

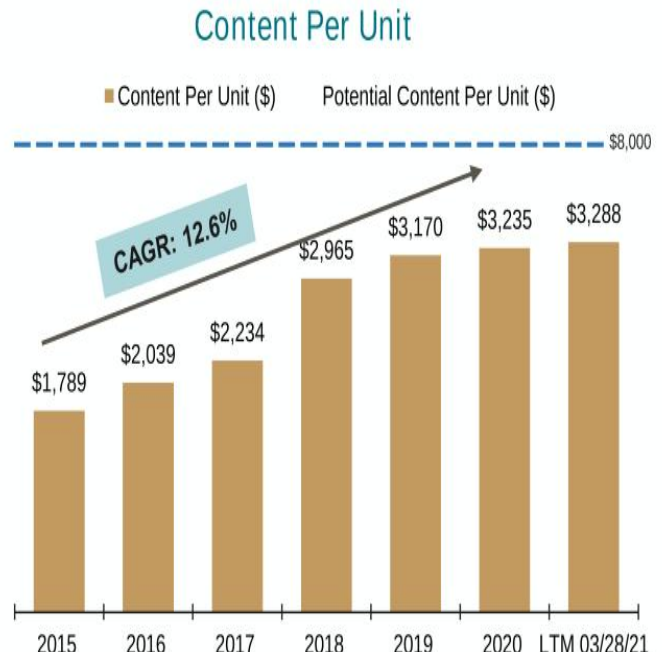
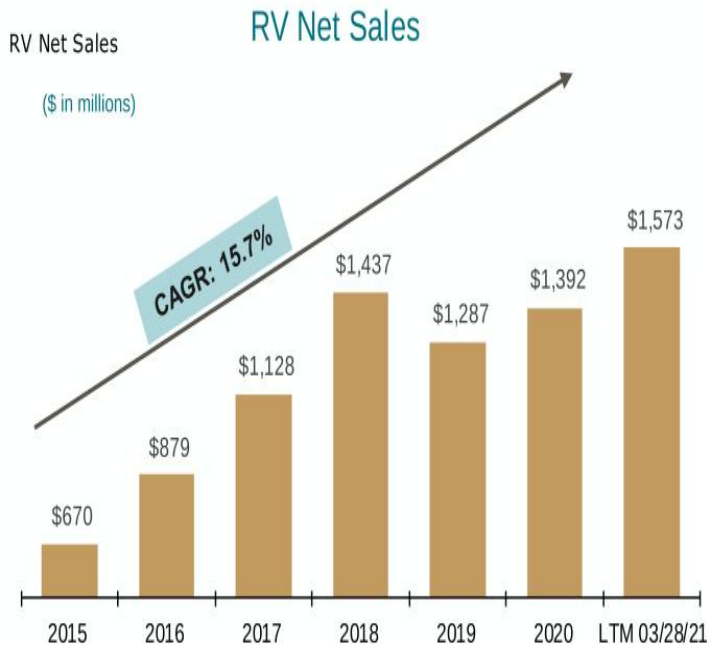


Competitive Advantage

- ✓ Largest OEMs rely on Patrick for high degree of content
- ✓ Geographically situated to provide JIT inventory management to OEMs
- ✓ Array of brands and capabilities allows Patrick to provide good, better and best options
- ✓ Breadth of offering allows Patrick to provide packaged solutions that competitors cannot
- ✓ Minimal customer concentration risk due to deep relationships with the large OEMs' brands, which make purchasing decisions independently

Key Product / Aftermarket Categories

- ✓ Vinyl and Paper Laminated Products
- ✓ Vinyl, Paper, and Hardwood Moldings
- ✓ Surface, Granite, and Quartz Countertops
Cabinet Doors
- ✓ Fiberglass Caps, Showers, and Tubs
- ✓ Small Plastic Components



Addressable Market: ~\$4.0 billion | Potential Content per Unit: \$8,000

Housing & Industrial (28% of Q1'21 LTM Sales)

End Market Statistics

\$748 Million
of Q1'21 LTM Net Sales

27%
FY 2015-2020CAGR

Highlights

- ✓ Limited availability of housing and attractive financing rates are positive indicators for growth
- ✓ Increase of MH production rates post-COVID and end of labor constraints
- ✓ Demand from big box retailers remains as homeowners continue spending on home upgrades
- ✓ 4 Acquisitions since 2018

Strategic Investment

- ✓ \$118 million invested towards strategic acquisitions since 2018
- ✓ \$14 million invested in capacity expansion, cost reduction, and new product development to enhance organic growth since 2018

End Market Product Categories:

MH Product Categories

Single-Section Homes

ASP: \$52,400 | 47% of Market



Multi-Section Homes

ASP: \$99,500 | 53% of Market



Industrial Product Categories

A wide range of components related to residential housing, commercial and institutional markets



Commercial Construction



Fixtures



Residential Housing



Furniture

Housing & Industrial Overview- Manufactured Housing

Key Customers:



Competitive Advantage

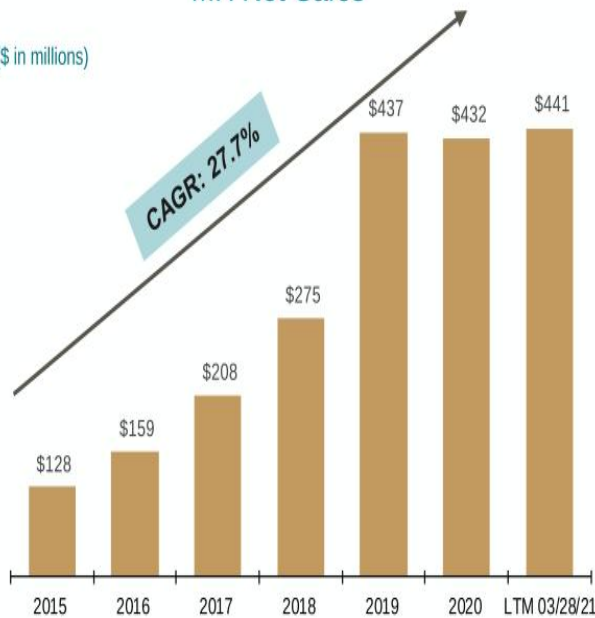
- ✓ Capable of leveraging production capabilities in other end markets to produce products for MH
- ✓ Buyer power allows Patrick to be a low cost supplier of multiple products
- ✓ Full range of product offerings allows Patrick to supply across the entire value chain
- ✓ Nationwide manufacturing and distribution footprint allows Patrick to provide products to entire U.S. more efficiently than other competitors

Key Product / Aftermarket Categories

- ✓ Pre-finished Wall and Ceiling Panels
- ✓ Drywall Finishing Products
- ✓ Roofing and Sliding
- ✓ Lighting
- ✓ Flooring
- ✓ Venting

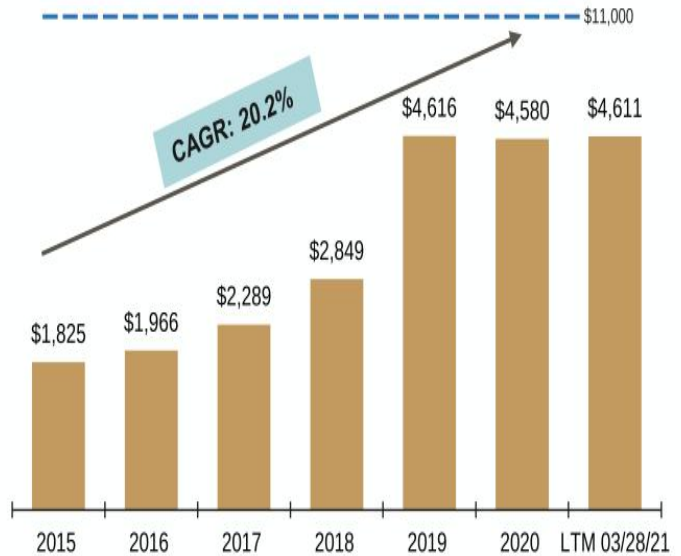
MH Net Sales

(\$ in millions)



Content Per Unit

Content Per Unit (\$) Potential Content Per Unit (\$)



Addressable Market: ~\$1.05 billion | Potential Content per Unit: \$11,000

Housing & Industrial Overview- Industrial

Key Customers:



Competitive Advantage

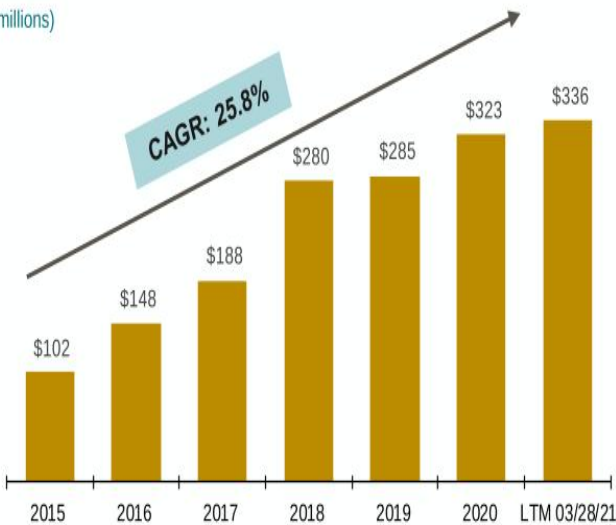
- ✓ Existing capabilities and capacity allow for manufacturing with minimal marginal fixed costs
- ✓ Number of facilities and geographic reach create ability to flex offerings opportunistically
- ✓ Full range of product offerings allows Patrick to supply across the entire value chain
- ✓ Diverse manufacturing capabilities allow Patrick to serve as a **“one stop shop” for customers**

Key Aftermarket Categories

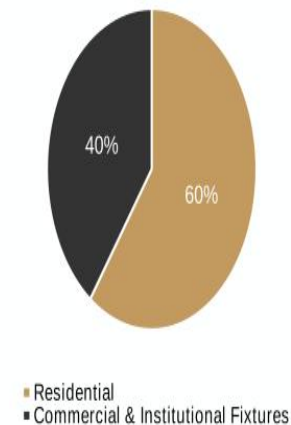
- ✓ Kitchen Cabinets, Countertops, and Components
- ✓ Store Fixtures & Commercial Furnishings
- ✓ Office and Household Furniture
- ✓ Slotwall
- ✓ Wardrobe Doors and Mirrors
- ✓ Fabricated Aluminum and Steel Components
- ✓ Electronics

Industrial Net Sales

(\$ in millions)

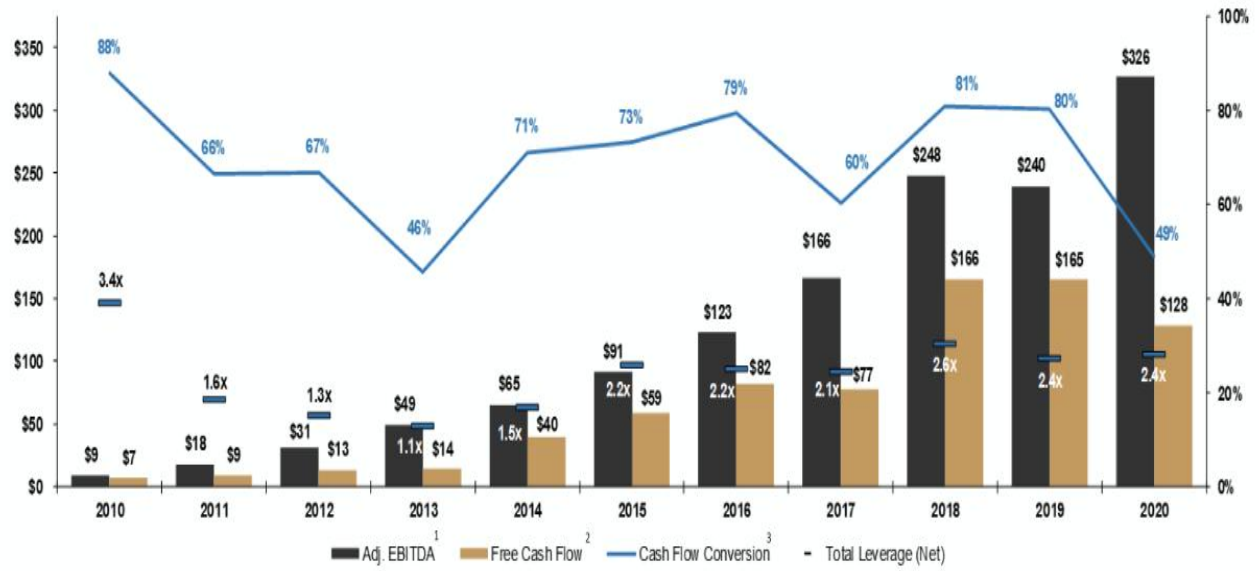


Net Sales Breakdown



Robust and Growing Free Cash Flow Generation

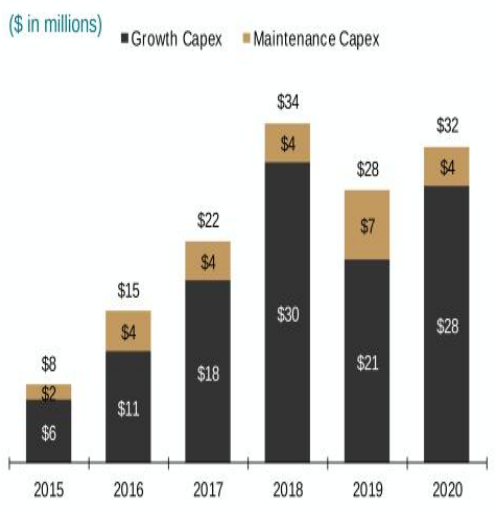
(\$ in millions)



Strong Free Cash Flow

- Generated \$676 million in free cash flow from 2015 – 2020
- Cash Flow conversion average of ~70% from FY18 – FY20
- Low required annual maintenance capex
 - ~\$5MM Maintenance vs. ~\$31MM average total capex over FY18 – FY20
- Low fixed cost requirements
- Counter-cyclical working capital needs

Maintenance & Total CapEx



¹ Pro Forma Adj. EBITDA shown for 2020 | ² Free Cash Flow defined as Cash Flow from Operations less Capex | ³ Cash Flow conversion defined as Cash Flow from Ops. divided by Adj. EBITDA

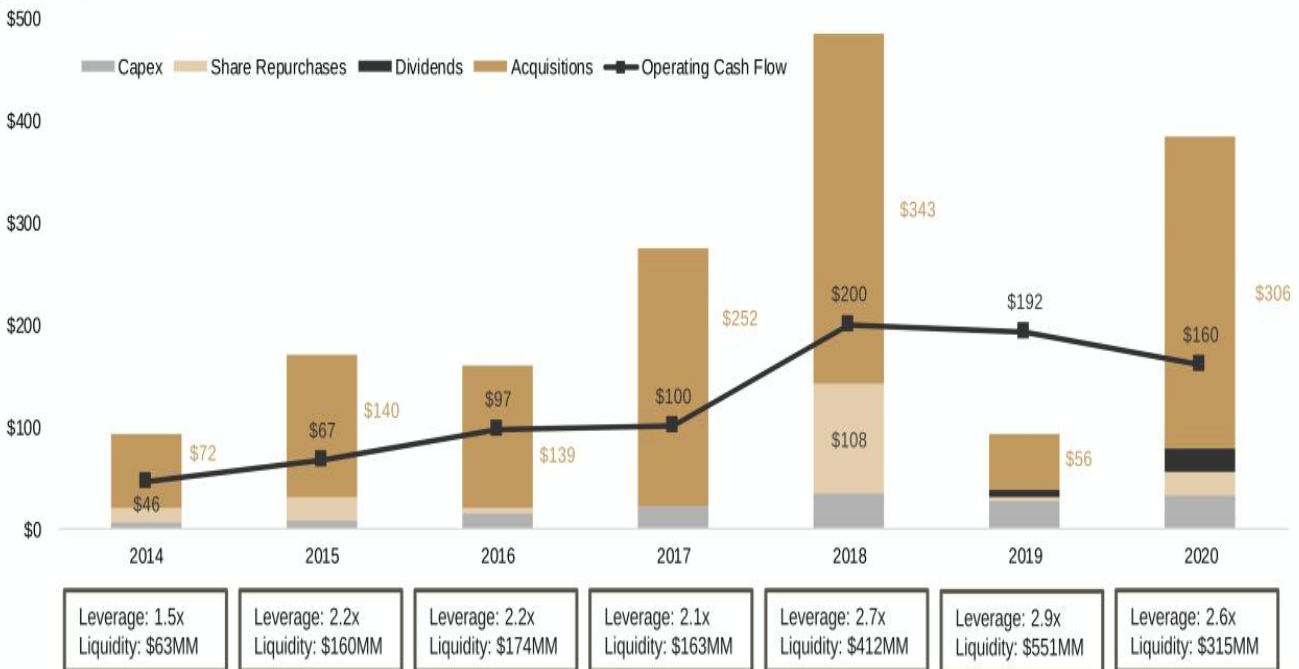


Prudent Capital Allocation and Conservative Leverage

Ability to Successfully Integrate Strategic Acquisitions has Helped Drive Increased Cash Flow Generation

- Patrick's capital allocation strategy is centered around the utilization of strong cash flows, a disciplined leverage position, and capital resources to grow and reinvest in the business model
- The Company has historically prioritized acquisition spending as a vehicle to grow along-side its organic growth achievements, spending an average of \$186 million per year on acquisitions since 2014
- Cost structure is not capex intensive, and requires a minimal amount of annual maintenance capex

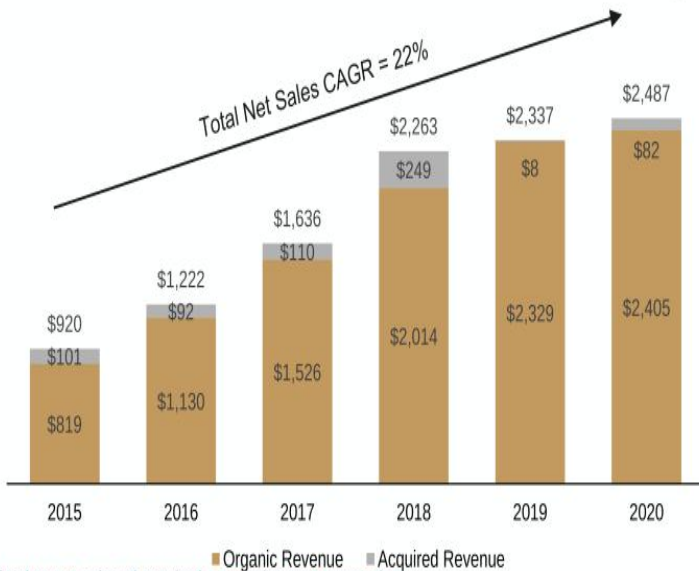
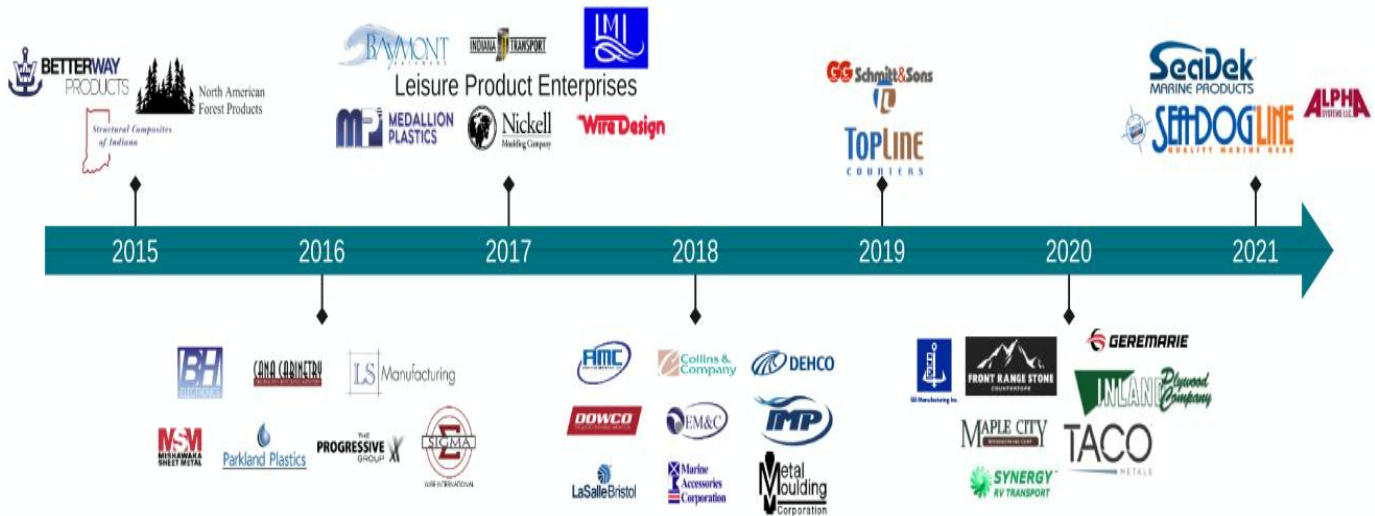
(\$ in millions)



Liquidity defined as Revolver availability (net of outstanding Letters of Credit) plus Cash and Cash Equivalents

Successful Strategic Investment Followed by Continued Organic Growth

We have a history of successfully integrating acquisitions with average IRR of 20-25% per acquisition and averaged annualized acquired net sales of ~\$270MM from 2018 – 2021 YTD



Strategic Acquisition Criteria

- ✓ Key Product Category
- ✓ Strong Leadership Team
- ✓ Executable Cost and Revenue Synergies
- ✓ Market Leadership
- ✓ Geographic / Market Expansion
- ✓ Strong Cultural Fit

¹ Defined as net sales of acquired companies post transaction

Deep and Long-Standing Customer Relationships

Customer Relationship Overview

- Patrick's long relationships, size, scale and JIT inventory make the Company an integrated part of their customers' production processes
- In the RV market, Patrick is the largest supplier to both Thor and Forest River
 - Decentralized purchasing decisions at the brand/manufacturing facility level
 - Highly diversified purchasing points
 - 300+ purchasing points at Thor
 - 150+ purchasing points at Forest River
 - 90+ purchasing points at Winnebago
- Products sold to marine customers are more engineered and customer specific, therefore making those relationships "stickier"
 - Integrated design allows products to be incorporated at the initial phase
- The average customer relationship tenor of Patrick's major customers is over 25 years

Patrick Major Customers

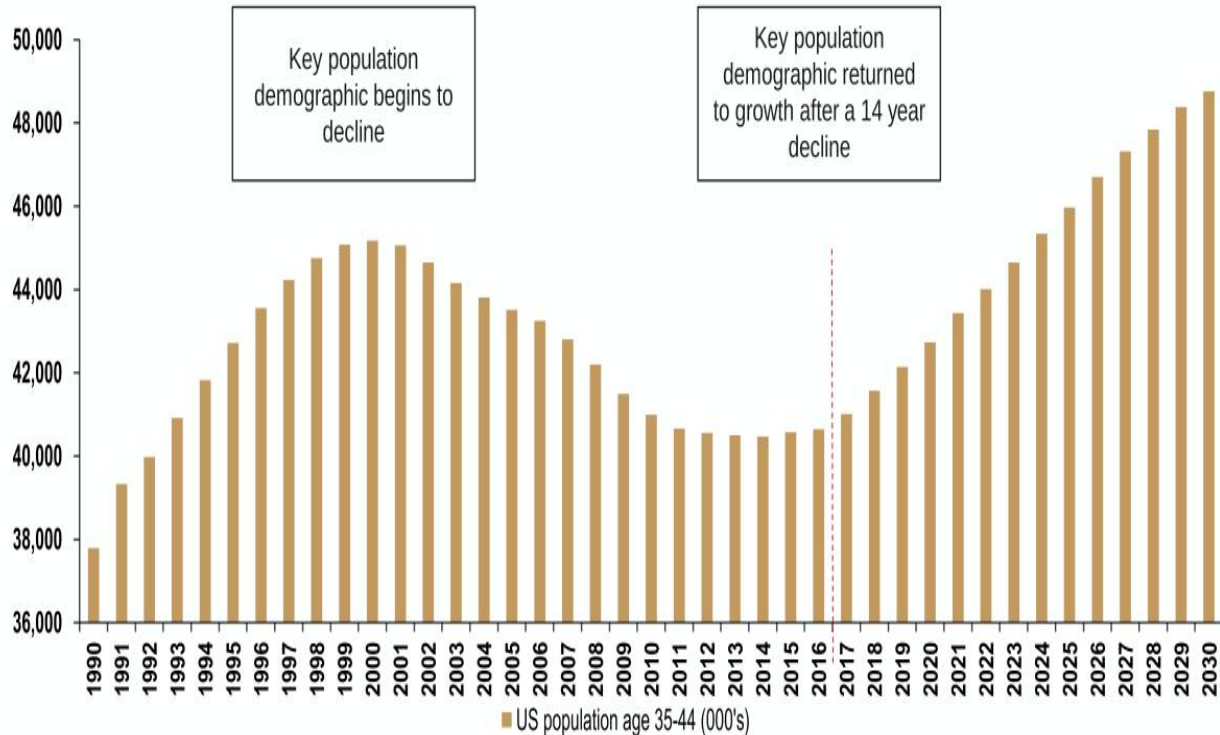
Customer	Total # of Brands	Approx. # of Facilities	Tenor of Relationship ¹
 THOR <small>Go Everywhere. Stay Anywhere.</small>	21	335	30+
	46	150	30+
	4	92	30+
	14	38	30+
	11	40	30+
	10	2	30+
BRUNSWICK	49	50*	30+
	9	25	30+
	29	35	30+
	39	25	10+
MasterCraft	4	3	20+
	4	5	10+
Total	240	750	

¹ Tenor includes relationship of predecessor companies prior to being acquired
* Boat and marine engine segments only



Favorable Demographic Trends

US Population age 35 – 44



Commentary

- Patrick's target demographic, U.S. consumers age 35 – 44, represents the largest purchasers in the RV, Marine, and Manufactured Housing markets
- This key demographic is just beginning to accumulate wealth
- This group of consumers began growing in 2017, indicating future potential growth in all end markets

Source: Euromonitor & RVIA



Increased Focus on ESG Responsibilities and Best Practices



Environmental

- Established transportation / resource usage program to reduce costs, fuel consumption and emissions
- Building leading safety culture with continuous improvement and training
- Ongoing conservation efforts to reduce waste, recycle chemicals and increase energy efficiency



Social

- Assess product suppliers for environmental & social responsibility
- Support numerous charitable organizations in local communities:
 - Care Camps
 - Elkhart Community Foundation
 - RV industry production associate skills training program
 - Boys & Girls Clubs in Elkhart and neighboring towns
- Recruit new college graduates for 3-year IMPACT Leadership Development Program



Governance

- Experienced and diverse board with an independent lead director; 78% independent members; 33% gender & ethnic diversity
- Annual election of all directors
- Single class voting structure
- Code of Ethics and Business Conduct for all employees and directors



Experienced Management Team

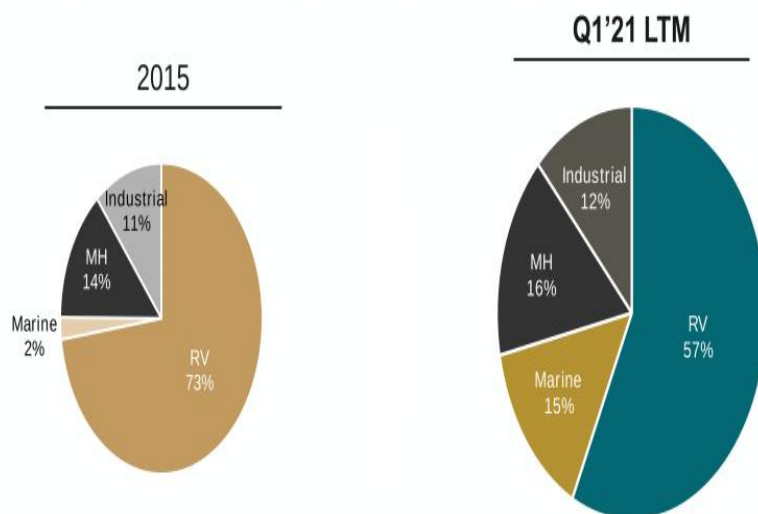
- Average management team industry experience of ~25 years, spanning multiple economic cycles
- Senior leadership team managed the Company through the last recession and have subsequently transformed the Company
- Given deep industry experience, the management team knows which levers to pull as economic conditions change
- Proven ability to manage at scale with approximately 9,500 employees in over 200 facilities across 23 states

Seasoned Leadership

Name	Title	Years of Experience
Andy Nemeth	President & CEO	30 years
Jake Petkovich	EVP Finance, CFO & Treasurer	26 years
Jeff Rodino	EVP Sales & CSO	27 years
Kip Ellis	EVP Operations & COO	24 years

Management's Continued Transformation of Patrick

Transformed through organic growth and acquisitions into a scaled and diversified value-added player across multiple end markets, positioning the Company to outperform during the cycle



	2015	Q1'21 LTM	Δ
Net Sales	\$920MM	\$2.7B	+ \$1.8B
Gross Margin	16.5%	18.6%	+ 210 bps
Adj. EBITDA ¹	\$91MM	\$348MM	+ \$257MM
Adj. EBITDA Margin ¹	9.9%	12.7%	+ 280 bps
FCF ²	\$59MM	\$159MM	+ \$100MM
Market Cap ³	\$681MM	\$2.0B	+ \$1.3B
# of Employees	~3,500	~9,500	+ 6,000

¹Q1'21 LTM EBITDA includes pro forma acquisition adjustments | ² Calculated as operating cash flow less capex | ³ As of 12/31/2015 and 06/08/2021, respectively



Well Positioned For Long-Term Stable Growth

The tremendous brand platform, industry expertise, operating scale, deep customer relationships, and geographic reach position Patrick to outperform their end markets, generating market share gains and organic growth



APPENDIX



Non-GAAP Reconciliations

Reconciliation of Cash Flow from Operations to Free Cash Flow

(\$ in millions)	2015	2016	2017	2018	2019	2020	LTM 03/28/21
Cash Flow from Operations	\$67	\$97	\$100	\$200	\$192	\$160	\$197
Less: Capital Expenditures	(8)	(15)	(22)	(34)	(28)	(32)	(39)
Free Cash Flow	\$59	\$82	\$77	\$166	\$165	\$128	\$159

Reconciliation of Net Income to Pro Forma Adj. EBITDA

(\$ in millions)	Fiscal Year Ended December 31,						
	2015	2016	2017	2018	2019	2020	LTM 03/28/21
Net Income	\$42	\$56	\$86	\$120	\$90	\$97	\$123
+ Interest Expense	4	7	9	26	37	43	44
+ Income Taxes	23	28	27	32	28	33	35
+ Depreciation & Amortization	17	24	34	55	63	73	79
EBITDA	\$87	\$115	\$156	\$234	\$218	\$247	\$281
+ Stock Compensation	5	6	10	14	15	16	16
+ Other non-recurring items	-	1	-	-	7	7	51
Adjusted EBITDA	\$91	\$123	\$166	\$248	\$240	\$270	\$348
+ Acquired EBITDA and Cost Savings (1)	-	-	-	-	-	56	-
Pro Forma Adj. EBITDA	\$91	\$123	\$166	\$248	\$240	\$326	\$348

¹ Represents estimated full-year adjustments for acquired EBITDA of \$32.5 million (including \$2.0 million total adjustments for Patrick's production and distribution capabilities), and acquisition-related and other general cost-savings of \$23.8 million, related to procurement, selling, general and administrative, leveraging of our scale, and, to a lesser extent, branch footprint consolidation, which we expect to realize over the next 12 months. Our ability to achieve such estimated synergies and cost-savings is subject to risks, uncertainties, assumptions and other factors that may cause actual results, performance or achievements to be materially different from any results, performance or achievement expressed or implied by the estimate.

Use of Non-GAAP Financial Information

Free Cash Flow and Earnings before interest, taxes, depreciation and amortization ("EBITDA") are non-GAAP financial measures. In addition to reporting financial results in accordance with accounting principles generally accepted in the United States, we provide non-GAAP operating results adjusted for certain items and other one-time items. We adjust for the items listed above in all periods presented, unless the impact is clearly immaterial to our financial statements.

We utilize the adjusted results to review our ongoing operations without the effect of these adjustments and for comparison to budgeted operating results. We believe the adjusted results are useful to investors because they help them compare our results to previous periods and provide important insights into underlying trends in the business and how management oversees our business operations on a day-to-day basis.

Patrick Product Lines: RV Exterior

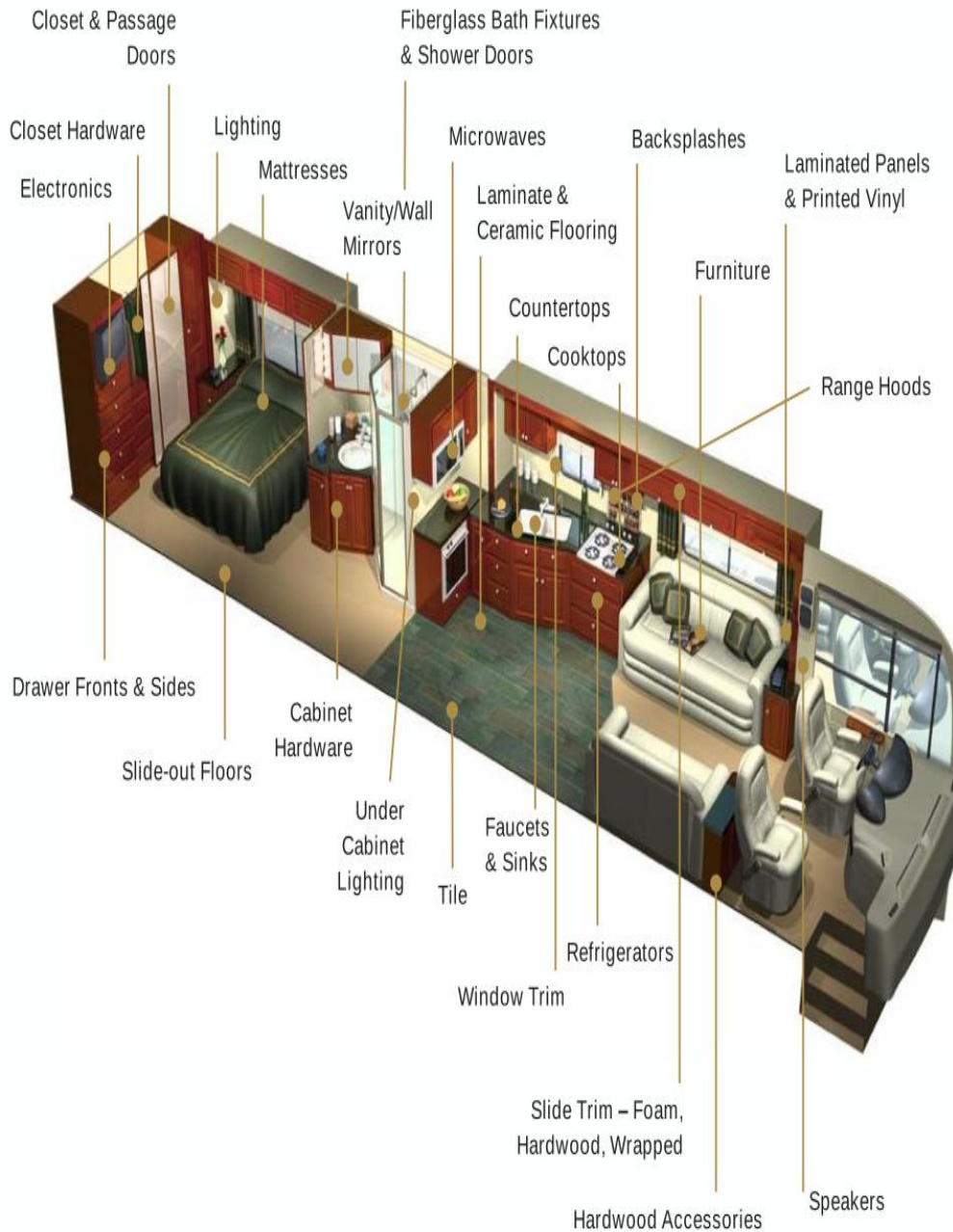


Additional Product Lines:

- Softwoods
- Full Body Paint
- Aluminum Gauges
- Steel Gauges
- Mill Finish & Pre-painted Aluminum and Steel
- Slit & Embossed Steel
- FRP Coil & Sheet
- Trim Panels
- Fuel Systems
- Metal Extrusions



Patrick Product Lines: RV Interior

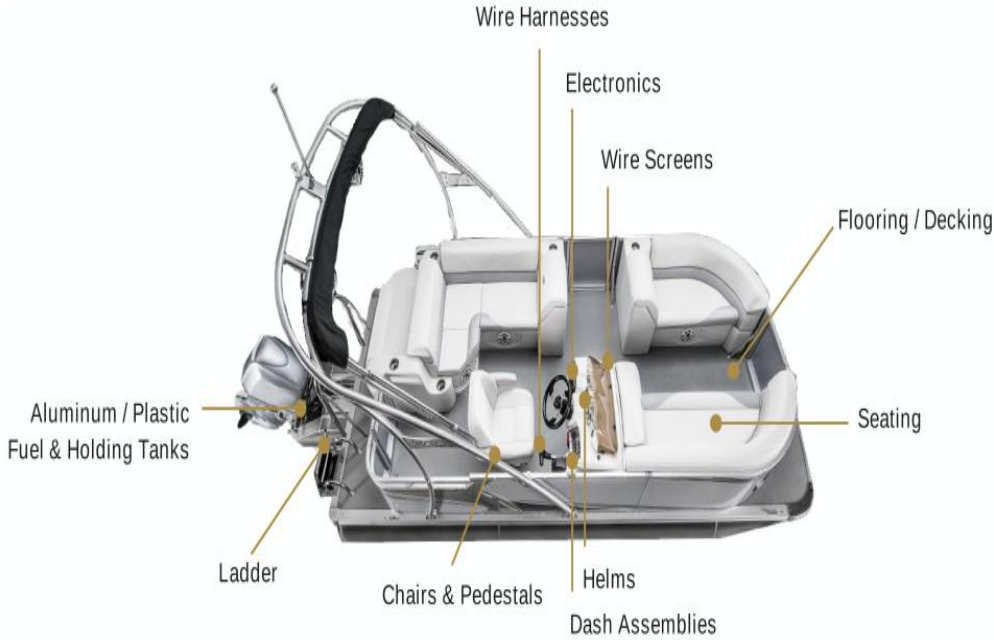


Additional Supplied Products:

- Exit Lighting
- Ceiling Fans
- Power Cords & Inlets
- RV Tank Heater Pads
- Fire Extinguishers
- Electric Fireplaces
- Wiring, Electrical & Plumbing Products
- Inverters
- Tire Pressure Monitors
- Electrical Switches, Receptacles, & Outlets
- RV Transfer Switches
- Battery Selector Switches
- Cut-to-Size, Boring, Foiling & Edge-Banding
- Flooring Adhesive
- Instrument Panel
- Made-to-Order Laminated Products including Vinyl, Paper, Veneers & High-Pressure Laminates (HPL)
- Trim Products



Patrick Product Lines: Marine



Marine Growth:

- Wind Shields (Glass / Acrylics)
- Fuel System Related Components
- Plastic Seat Bases & Components
- Vinyls (Biminis, Covers)
- Fabricated & Extruded Aluminum
- Decking, Flooring, Carpet, Vinyls
- Gauges, Instrument Panels, Displays
- Lighting
- Steering & Throttle Controls
- Plastic Products: Boxes, Inlay Tables
- Canvas Products, Panels & Trim



Patrick Product Lines: Manufactured Housing



Additional Supplied Products:

- Building Arches
- Closet Organization Products
- Adhesives & Sealants
- Innovative Lighting
- Electrical Components (e.g., Panels/ Breakers, Outlet Boxes & Switches/ Receptacles)
- Fireplaces and Surrounds
- Made-to-Order Laminated Products including Vinyl, Paper, Veneers & High-Pressure Laminates (HPL)
- Cut-to-Size, Boring, Foiling & Edge-Banding
- Solid Surface, Granite and Quartz Fab
- Flooring Adhesive
- Tables & Signs
- Roof Trusses
- Wardrobe Doors & Hardware Systems
- Closet Organizers & Shelving
- Air Handling Products
- Carpeting



