

**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 6, 2022

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

Elkhart,

Indiana

46515

(Address of Principal Executive Offices)

(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) Exhibits

[Exhibit 99.1](#) - Slides 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 6, 2022

By: /s/ Jacob R. Petkovich

Jacob R. Petkovich

Executive Vice President - Finance, Chief Financial Officer, and Treasurer



Investor Presentation

June 2022

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 operational 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.

PATRICK AT A GLANCE

NASDAQ: PATK

12,000+

Team members

63

Years of Success

250+

Facilities

\$4.6B

Q1'22 TTM Revenue

Q1'22 TTM Highlights

Diluted EPS	\$12.13 ¹	Pro-Forma Adjusted EBITDA	\$637M ²
Liquidity	\$319M	Total Net Leverage	2.2x ³

Value Proposition



Strong portfolio unifies historically fragmented markets



Breadth and depth of talent and resources drives innovative customer solutions



Investments in automation, human capital and IT support strong platform

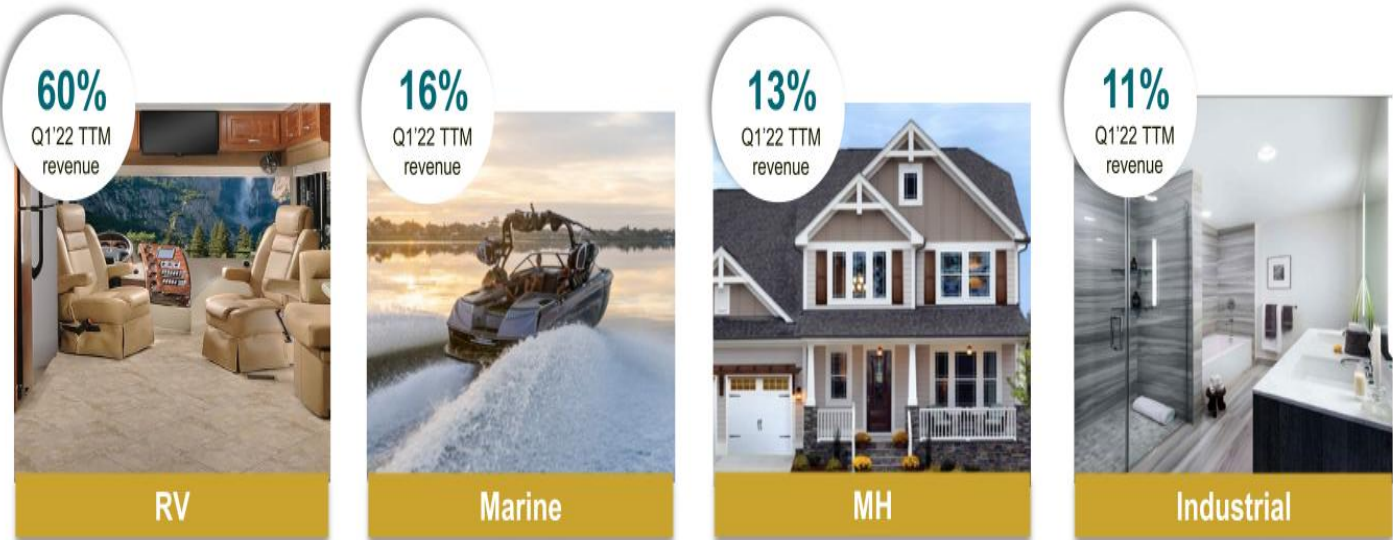


Broad supply chain strength supports OEM growth



¹ Reflects the impact of the adoption on 1/1/2022 of accounting standard related to convertible notes | ² Non-GAAP metric. See appendix for reconciliation to closest GAAP metric | ³ As defined by credit agreement

DIVERSIFIED MARKET PLATFORM



- Largest OEMs rely on Patrick for **high degree of content**
- **Breadth of offering** to provide packaged solutions not offered by competitors
- **Our extensive supply chain** fuels the explosive growth in the leisure lifestyle markets

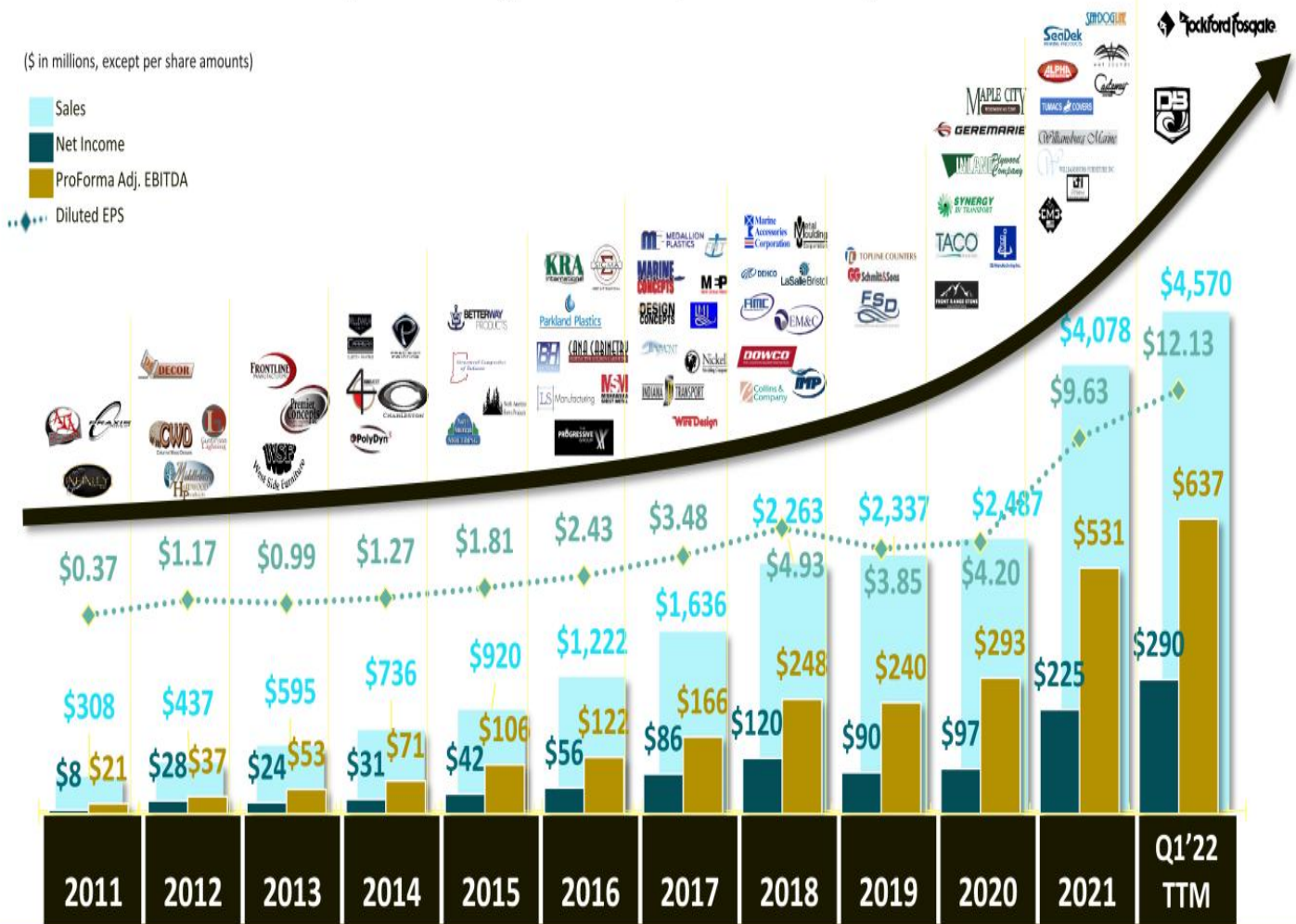
- **Fully integrated** into manufacturers' design process
- Highly engineered and specialized products offer **differentiated solutions to OEMs**
- **Growing** aftermarket platform and powersports market

- Fulfilling customer visions of interior and exterior dream homes
- **Nationwide manufacturing and distribution footprint** allows Patrick to provide products to entire U.S. more efficiently than other competitors

- Providing a foundation for this country's infrastructure development
- **Home improvement and DIY activity** driven by work-from-anywhere environment

OUR STORY

Together we have strategically built an incredible organization of great people, teams, brands, and leadership focused on embracing and preserving the entrepreneurial spirit!



STRONG TRAJECTORY OF NET SALES AND ADJ. EBITDA

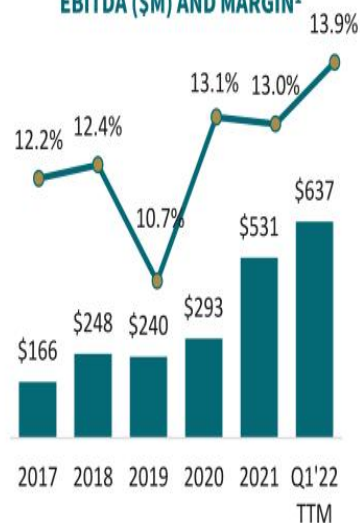
NET SALES GROWTH (\$M)



NET INCOME (\$M) & DILUTED EPS



PRO-FORMA ADJ. EBITDA (\$M) AND MARGIN¹

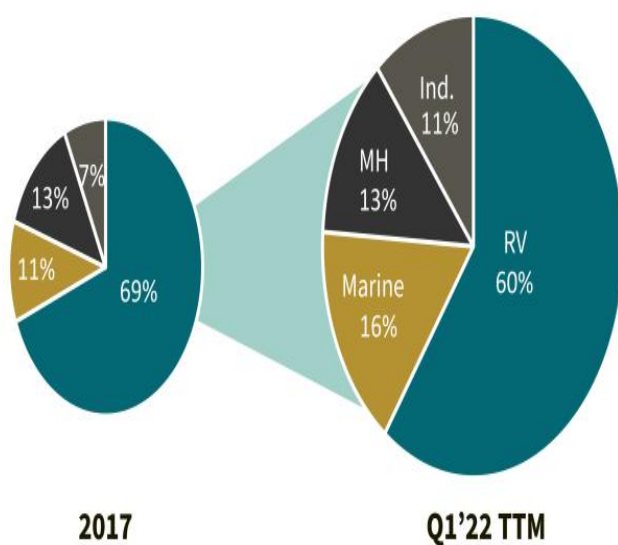


2021 & Q1'22

- RV and Marine **growth driven by outdoor recreation trends**, accelerated strong demographic trends and the appeal of socially distant activities, partially hampered by lean inventories.
- Strong consumer demand** across end markets
- Industrial and MH growth driven by **shift from urban to suburban markets**
- Investments in automation, human capital and IT** to strengthen platform
- Strategic gains** through our growing footprint, resources, and agility of our positions in our markets
- Gains related to synergies from acquired businesses
- Continued leveraging our fixed cost structure and automation efficiencies**,
- Driving continuous improvement initiatives

Profitability Driven by Growth in Investment and Higher Margin Products and Leveraging Fixed Costs

CONTINUING TO STRENGTHEN PATRICK PORTFOLIO



SALES COMPOSITION AS % OF REVENUE

	2017	Q1'22 TTM	Δ
Net Sales	\$1.6B	\$4.6B	+ \$3.0B
Gross Margin	17.1%	20.5%	+ 340 bps
EBITDA Margin	10.1%	12.6%	+ 250 bps
Pro Forma Adj. EBITDA ¹	\$200M	\$637M	+ \$437M
Market Cap ²	\$1.6B	\$1.6B	-
Number of Employees ³	~7,000	~12,000	+ 5,000

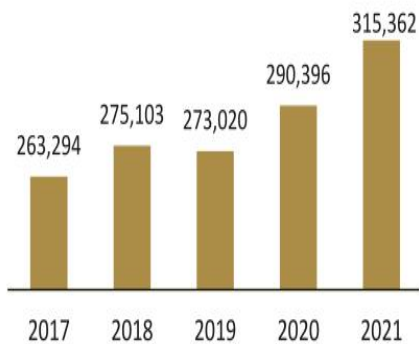


¹ Non-GAAP metric. See appendix for reconciliation to closest GAAP metric | ² As of 12/31/2017 and 05/17/22, respectively | ³ Actual # of employees

FAVORABLE TRENDS ACROSS OUR END MARKETS

BOAT OWNERSHIP

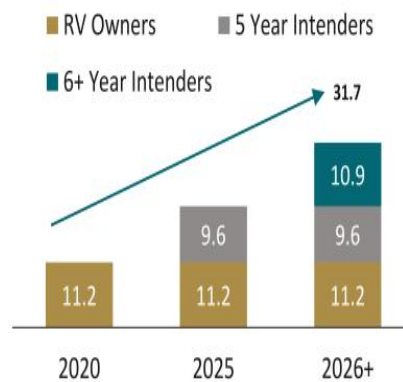
US Powerboat Registrations (Units)¹
12 Months Rolling Through July



- More than 1/3 of those who have purchased new and pre-owned powerboats in 2020 were first-time boat buyers¹
- 70% of prospective boat buyers will make their purchase within 12 months⁶

RV OWNERSHIP

Expected to Increase by ~183%²



- 37% of U.S. households hold some connection to the RV industry, with the largest proportion intending to purchase an RV at some point in the future²
- 20.5 million households intending to purchase an RV; 9.6 million (47%) plan to purchase within the next five years²

FAVORABLE MACRO TRENDS

% Increase Compared to 2020



- **A robust economy** will support growth across PATK end markets
- **Housing starts** are rising
- **Strong consumer demand** expected to continue to benefit our businesses



¹ National Marine Manufacturers Association | ² Ipsos Go RVing RV Owner Demographic Profile | ³ Statista GDP Growth Rate in the US | ⁴ IBIS World Total Retail Sales | ⁵ St. Louis Fed and Financial Forecast Center | ⁶ NMMMA Tomorrow's Boat Owners

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CAPITAL ALLOCATION STRATEGY



Deploy strong cash flows to highest value projects



Maintain a disciplined leverage position

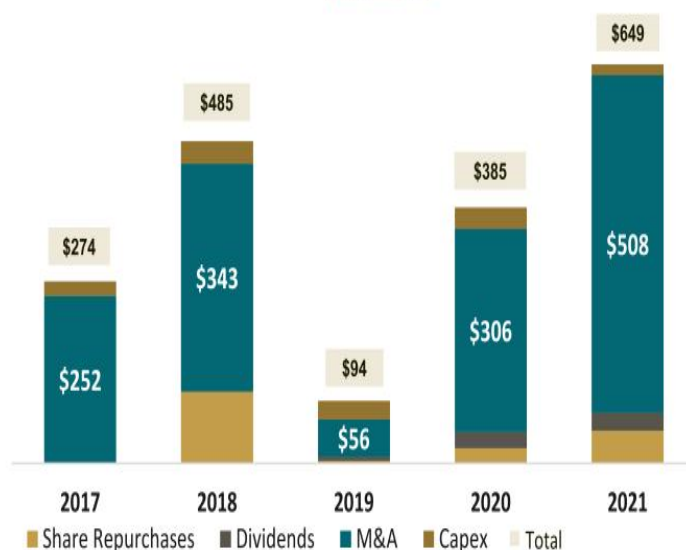


Utilize capital resources to grow and reinvest



Opportunistic share buybacks

HISTORICAL CAPITAL ALLOCATION
\$ in millions



	2017	2018	2019	2020	2021
Operating Cashflow:	\$100M	\$200M	\$192M	\$160M	\$252M
Total Net Leverage ¹ :	1.8x	2.4x	2.3x	2.4x	2.3x
Liquidity ² :	\$163M	\$412M	\$551M	\$315M	\$532M



PATRICK

¹ Total Leverage = Net Debt / Adj. EBITDA | ² Liquidity defined as Revolver availability (net of outstanding Letters of Credit) plus Cash and Cash Equivalents

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STRONG LIQUIDITY PROFILE

Highlights (Q1 '22 TTM)

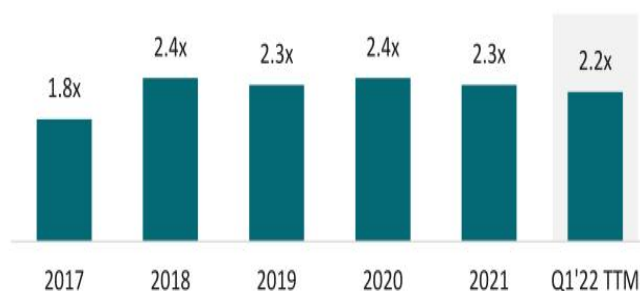
Return on Invested Capital	11.3%
Return on Assets	12.1%
Accounts Receivable Turnover	16.1x
Inventory Turnover	7.2x
Current Ratio	2.4x
Avg. Cash Conversion Cycle	44.2 Days

*The strength of our cash flows and liquidity allows us to **invest in our existing business** as well as **pursue attractive acquisition opportunities***

Liquidity (\$M)

Total Revolver Credit Capacity	\$550.0
Less: Total Revolver Used (including outstanding letters of credit)	(294.4)
Unused Credit Capacity	255.6
Add: Cash on Hand	63.8
Total Available Liquidity	\$319.4

NET DEBT¹ / PRO FORMA ADJUSTED EBITDA²



No Major Debt Maturities Until 2023

DEBT MATURITY SCHEDULE (\$M)



¹ Net Debt= Total Debt less Cash & Cash Equivalents ² Non-GAAP metric. See appendix for reconciliation to closest GAAP metric

LEISURE LIFESTYLE

Key Highlights

- Marine Retail channel replenishing
- Significant OEM backlogs remain
- New buyer traffic and activity remain strong
- Completed 30 Leisure Lifestyle acquisitions since 2018

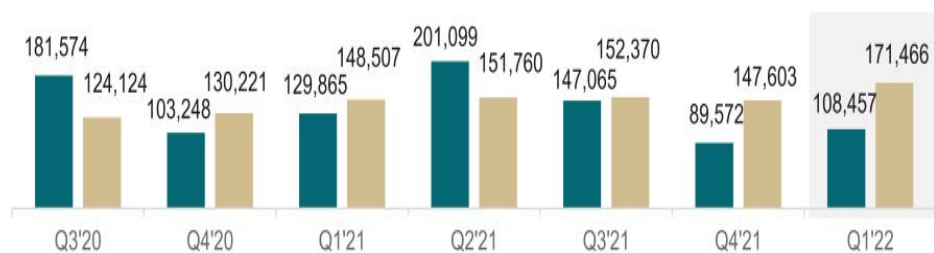
Net 61,000 Marine Units Depleted from Retail Channel Since 7/1/20¹

Marine Industry Shipments



Towable Units are Reaching Normalized Levels²

RV Industry Shipments



¹ National Marine Manufacturers Association/Company Estimates | ² RV Industry Association/Company Estimates

MARINE

Market Insights

- ✓ Significant OEM backlogs remain
- ✓ New buyer traffic and activity remain strong
- ✓ Dealer inventories continue to be at low levels
- ✓ Supply Chain Visibility continues

Key Customers



Prioritization

Expanding aftermarket businesses while continuing strong revenue growth

Marine Net Sales (\$M)

CAGR 56.1%



Content Per Unit

CAGR 63.8%



Future Outlook

Marine revenue expected to **surpass \$1 Billion** on an annualized pro forma basis for 2022

RV

Market Insights

- ✓ Towable inventories at normalizing levels
- ✓ New buyer traffic remains strong
- ✓ Expecting a return to normal seasonal patterns in late 2022
- ✓ Spring buying season off to a great start

Key Customers



THOR
Go Everywhere. Stay Anywhere.

THO Backlog @ 1/31/22- \$17.7B



REVG Backlog @1/31/22- \$1.3B WGO Backlog @ 2/27/22- \$4.4B

CAGR 20.8%

RV Net Sales (\$M)



CAGR 15.7%

Content Per Unit



Prioritization

Continuing to expand market share and execute on margin expansion

Future Outlook

RV remains a key component of our platform

Housing & Industrial

Key Highlights

- Limited availability of housing is a positive indicator for growth
- Capital deployment to support capacity expansion and new product development to enhance organic growth
- Four acquisitions since 2018

Housing Starts

New Housing Industry Starts Increased by **16%¹** in **2021** and **10%¹** in **Q1'22** compared to prior year period



Multi-Family Industry Increased by **22%¹** in **2021** and **26%¹** in **Q1'22**



Single Family Industry Increased by **14%¹** in **2021** and **4%¹** in **Q1'22**

Manufactured Housing Product Categories²

Single-Section Homes



Multi-Section Homes



Industrial Product Categories

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

Residential Housing



Fixtures



Commercial Construction



Furniture



Product Categories



¹ U.S. Census Bureau | ² Manufactured Housing Institute & IBTS

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Manufactured Housing

Market Insights

- ✓ MH ASPs remain at historical highs
- ✓ OEM production rates building momentum
- ✓ Demographic trends continue to support strong demand patterns for quality, affordable homes

Key Customers



CVCO Backlog @
1/1/22- \$1.1B



SKY Backlog @
1/1/22- \$1.5B

CAGR 27.2%

MH Net Sales (\$M)



CAGR 27.5%

Content Per Unit



Prioritization

Steady growth as we leverage our reliable MH business strategy

Future Outlook

MH unit shipments and backlog are the strongest they have been in 20 years

Industrial

Market Insights

- ✓ Homeowners continue to spend on home upgrades & DIY projects
- ✓ Limited inventory fueling demand for residential construction
- ✓ Robust single and multi-family housing starts

Key Customers



CAGR 25.7%

Industrial Net Sales (\$M)



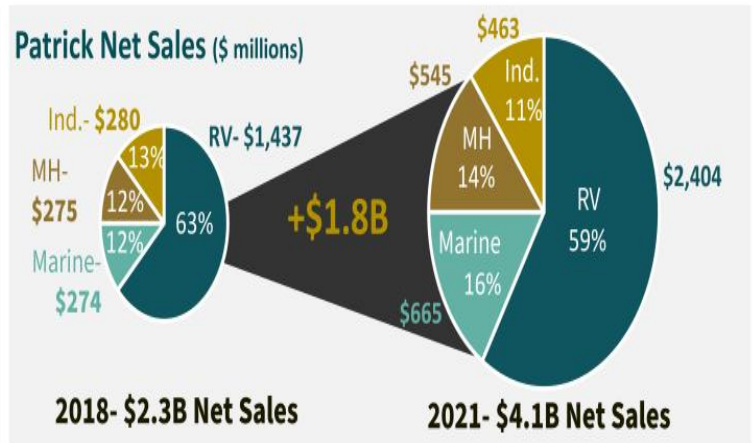
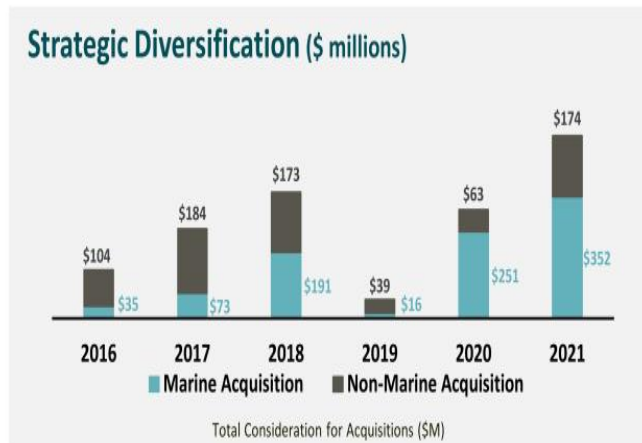
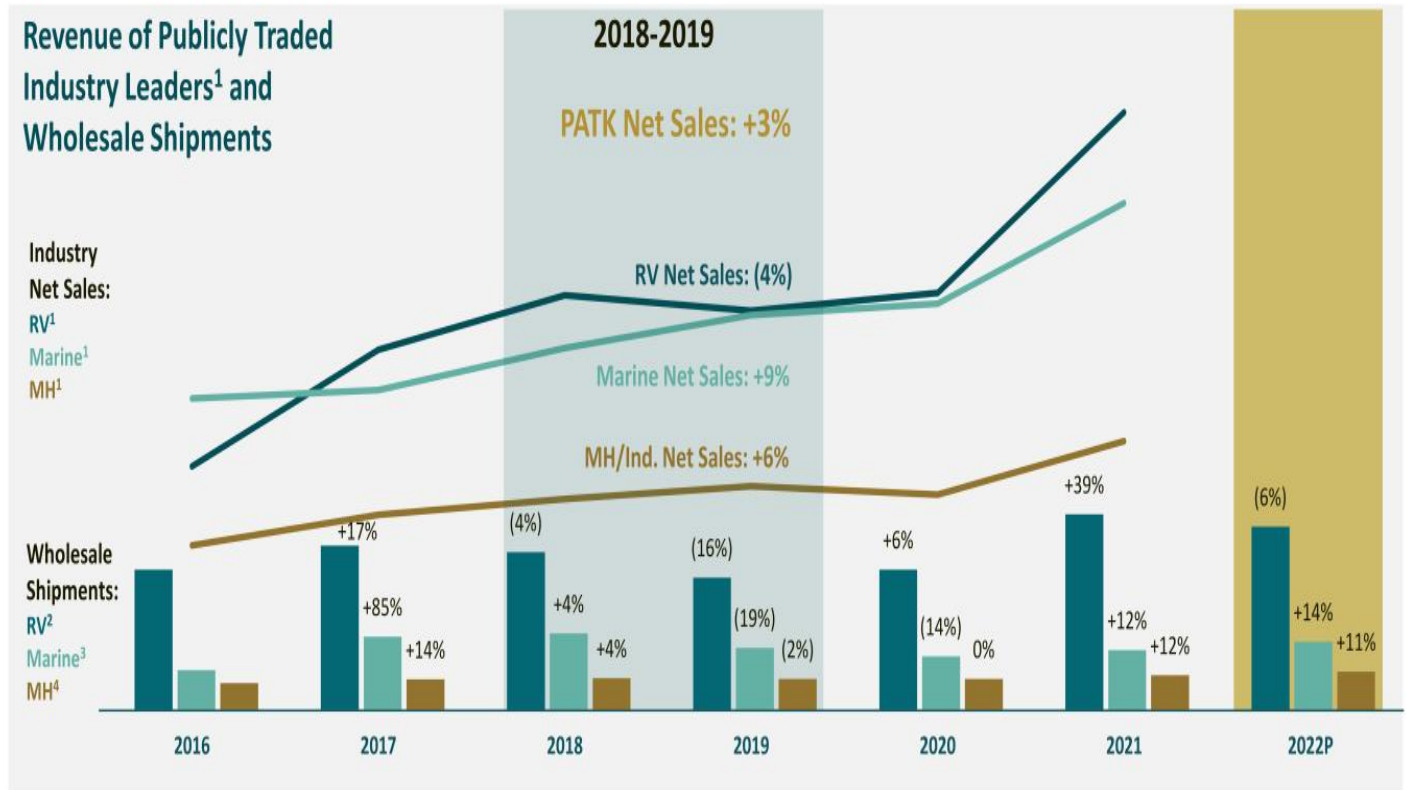
Prioritization

Execute on margin expansion and product availability

Future Outlook

Will benefit from strong housing demand well and remodeling activity

Strategic Diversification helps mitigate discreet end-market pressures



¹RV: THO, WGO, REVG MARINE: PII, MCFT, MBUU, BC MH/IND: CVCO, SKY, KBH | ²RV Industry Association/Company Estimates | ³National Marine Manufacturers Association/Company Estimates | ⁴Manufactured Housing Institute

ESG: CURRENT AND UPCOMING INITIATIVES



Environmental

In 2021, Just in our RV facilities, we Recycled and Upcycled:

Over 46,000 tons of wood product

8 million pounds of plastic

11 million pounds of aluminum

1 million pounds of steel

A reduction of VOC emissions by 20% for every location that adopted a new technology initiative we are rolling out.



Social

Pioneer Partner for Care Camps

Supporting numerous charitable organizations in local communities:

- ❖ Elkhart Community Foundation
- ❖ RV industry production associate skills training program
- ❖ Boys & Girls Clubs in Elkhart and neighboring towns
- ❖ Military Makeover house remodel for military veteran

Recruiting recent college graduates for Leadership Development Program IMPACT



Governance

Enhancing and expanding ESG Policies to best practice standards

Development of Vendor Code of Conduct to assess social and environmental responsibility

Committed to board diversity to enhance oversight



LEADERSHIP WITH DEEP INDUSTRY EXPERIENCE



Andy Nemeth

CEO

30 years

Industry experience



Jeff Rodino

President

28 years

Industry experience



Kip Ellis

COO

25 years

Industry experience



Jake Petkovich

CFO

26 years

Industry experience

- ✓ 100+ years of industry experience spanning across multiple economic cycles
- ✓ Management team is adaptable and experienced during economic changes
- ✓ Proven ability to manage at scale with approximately 12,000 employees in over 250 facilities across 23 states

GROWTH ENGINE



Appendix

NON-GAAP RECONCILIATIONS

Reconciliation of Net Income to Adj. EBITDA & Pro-Forma Adj. EBITDA

(\$ in millions)	Fiscal Year Ended December 31,						TTM ended March 27, 2022
	2016	2017	2018	2019	2020	2021	
Net Income	\$56	\$86	\$120	\$90	\$97	\$225	\$290
+ Interest Expense	7	9	26	37	43	58	62
+ Income Taxes	28	27	32	28	33	69	93
+ Depreciation and Amortization	24	33	55	63	71	105	112
EBITDA	\$115	\$155	\$233	\$218	\$247	\$457	\$557
+ Stock Compensation	6	10	14	15	16	23	24
+ Acquisition proforma, transaction-related expenses & other	0	0	0	6	31	51	56
Adj. EBITDA	\$122	\$166	\$248	\$240	\$293	\$531	\$637
Net Sales	\$1,222	\$1,636	\$2,263	\$2,337	\$2,487	\$4,078	\$4,570
Adj. EBITDA Margin (%)	11.3%	12.2%	12.4%	10.7%	13.1%	13.0%	13.9%

(1) Represents estimated (i) full-year adjustments for acquired EBITDA and (ii) acquisition-related and other general cost-savings, 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

Earnings before interest, taxes, depreciation and amortization ("EBITDA") and Net Debt 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 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.

Reconciliation of Net Debt





(\$ in millions)	Fiscal Year Ended December 31,						TTM ended March 27, 2022
	2016	2017	2018	2019	2020	2021	
Total Debt	\$273	\$354	\$631	\$709	\$845	\$1,366	\$1,515
Less: Cash & Cash Equivalents	(6)	(3)	(7)	(139)	(45)	(45)	(89)
Net Debt	\$267	\$351	\$624	\$570	\$800	\$1,243	\$1,426

END MARKET CATEGORIES

RV PRODUCT CATEGORIES¹

TOWABLE Shipments: 91% Wholesale 68% Retail Value		MOTORIZED Shipments: 9% Wholesale 32% Retail Value	
Travel Trailer ASP: \$28,900	Fifth Wheel ASP: \$67,100	Class A ASP: \$257,600	Class B & C ASP: \$128,800
			
Total Retail Value of Shipments in 2020: \$18B			

MARINE PRODUCT CATEGORIES²

Pontoon	Ski & Wake	Fiberglass	Aluminum
ASP: \$45,800 31% of Market	ASP: \$118,100 6% of Market	ASP: \$88,000 37% of Market	ASP: \$25,800 26% of Market
			
U.S Expenditures on Boats, Engines and Accessories Totaled \$49B in 2020			

MANUFACTURED HOUSING PRODUCT CATEGORIES³

Single-Section Homes	Multi-Section Homes
ASP: \$71,600 43% of Market	ASP: \$129,800 57% of Market
	

¹ Source: RVIA 2020 Industry profile (travel trailer ASPs stats include camping trailers and truck campers) | ² Source: NMMA 2020 Statistical Abstracts. | ³ Source: Manufactured Housing Institute.

KEY PRODUCT CATEGORIES

Marine

Fiberglass and Plastic
Thermoformed Helm Systems



Wiring and Wire Harnesses



Boat Covers, Towers, Tops and Frames



Electrical Systems and Components



Fabricated Aluminum and Steel Components



Anchoring, Docking and Boarding



RV

Vinyl, Paper and Hardwood Moldings



Cabinet Doors



Small Plastic Components



Vinyl and Paper Laminated Products



Surface, Granite and Quartz Countertops



Fiberglass Caps, Showers and Tubs



MH

Pre-finished Wall and Ceiling Panels



Roofing and Siding



Flooring



Drywall Finishing Products



Lighting



Venting



Industrial

Kitchen Cabinets, Countertops & Components



Slotwall



Wardrobe Doors & Mirrors



Store Fixtures & Commercial Furnishings



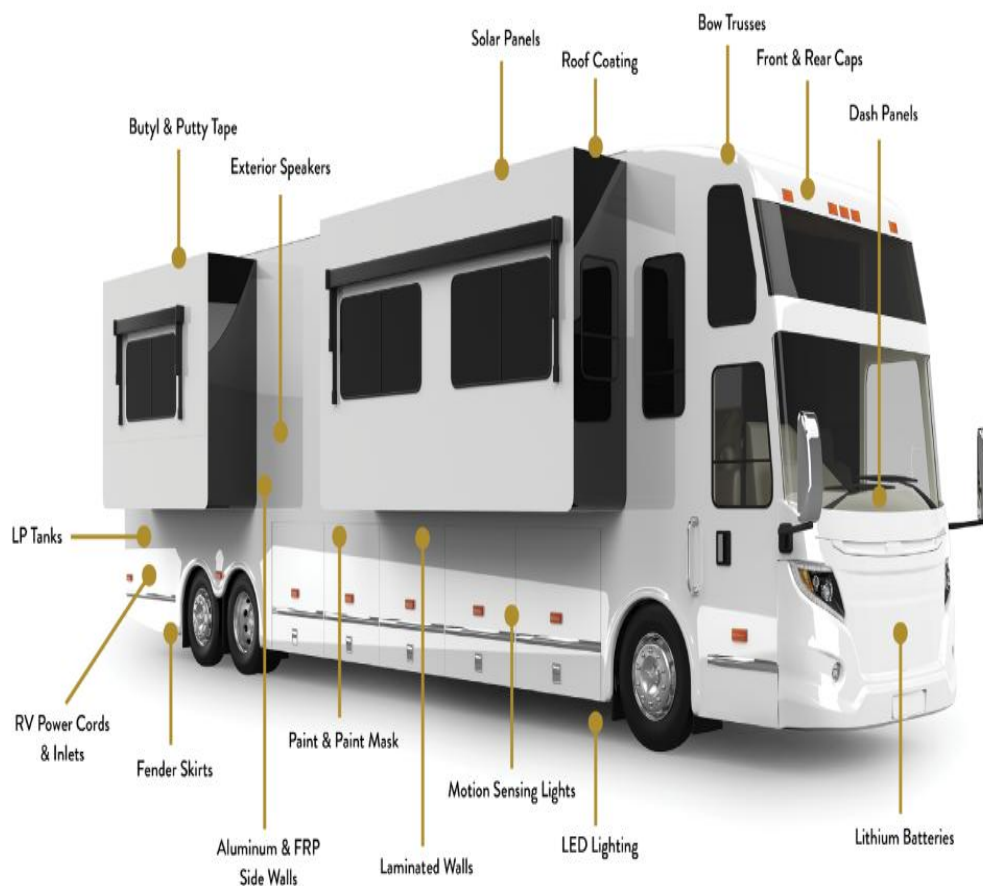
Office & Household Furniture



Fabricated Aluminum & Steel Components



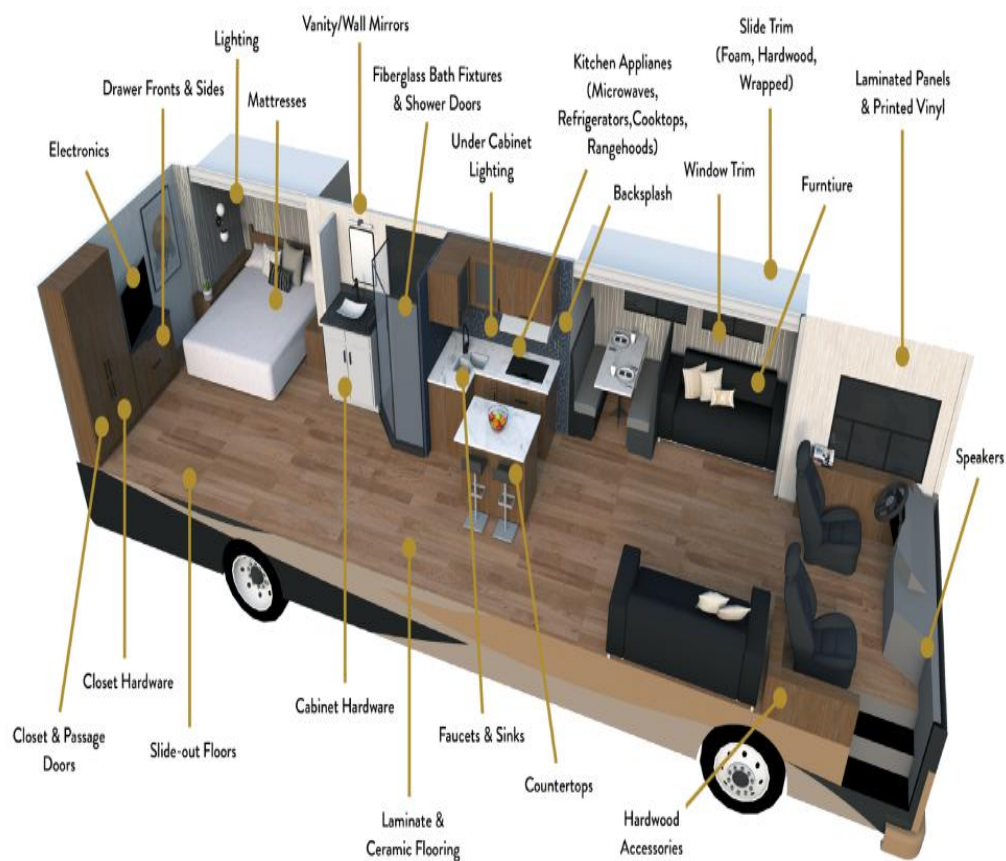
PATRICK PRODUCT LINES: RV EXTERIOR



Additional Supplied Products

- ✓ 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

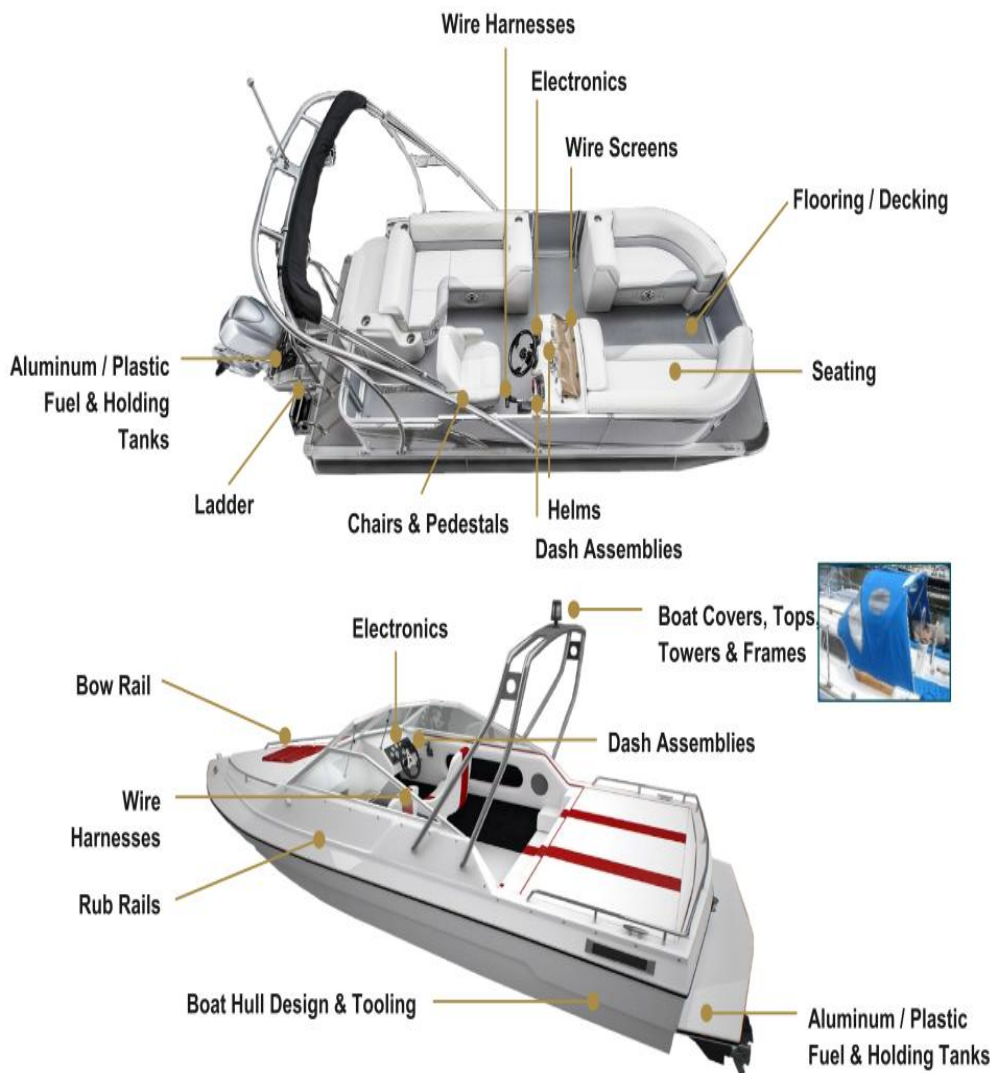
PATRICK PRODUCT LINES: RV INTERIOR



Additional Supplied Products

- ✓ Exit Lighting
- ✓ Power Cords & Inlets
- ✓ RV Tank Heater Pads
- ✓ Fire Extinguishers
- ✓ Electric Fireplaces
- ✓ Wiring, Electrical & Plumbing
- ✓ 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

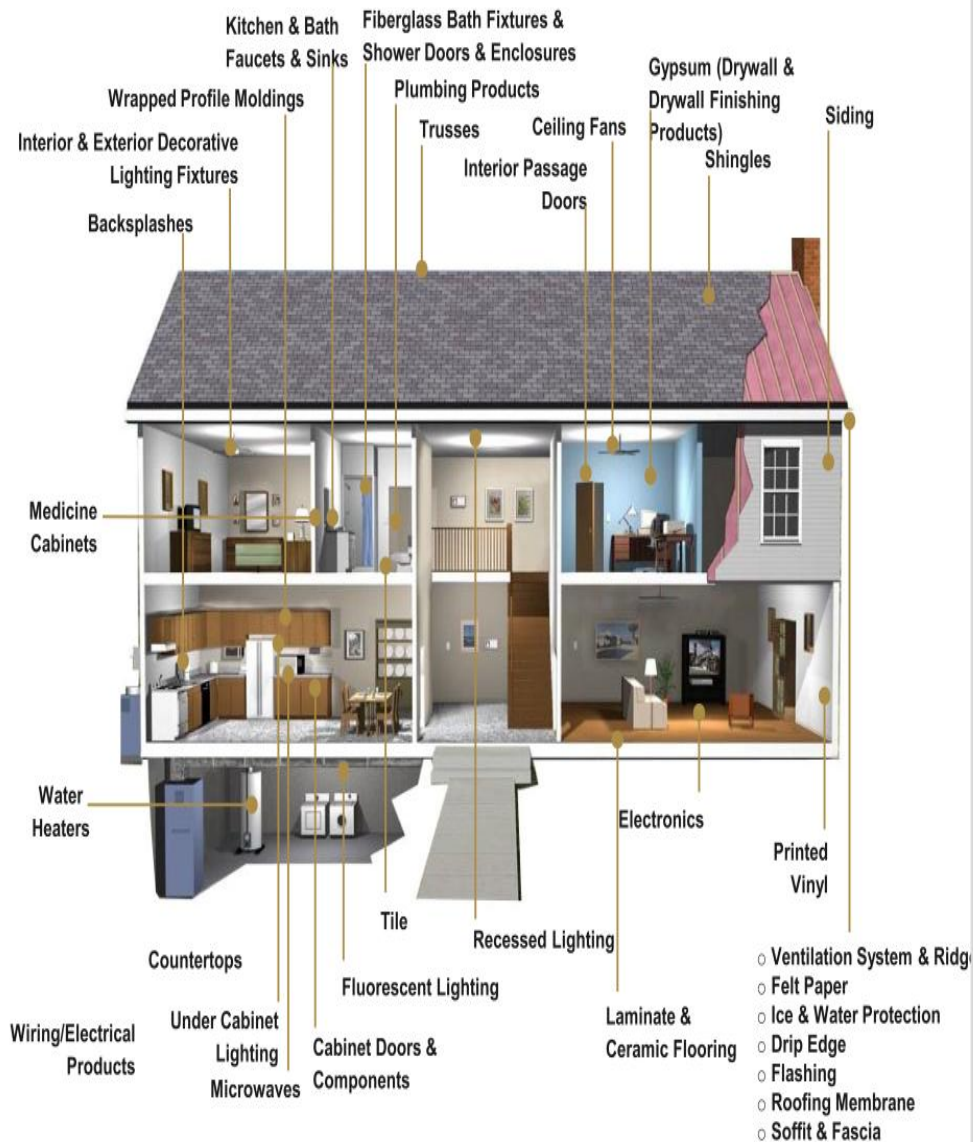
PATRICK PRODUCT LINES: MARINE



Additional Supplied Products

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

PATRICK PRODUCT LINES: MANUFACTURED HOUSING





www.patrickind.com



