

**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)

November 7, 2023

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**

(Address of Principal Executive Offices)

46515

(Zip Code)

(574) 294-7511

Registrant's Telephone Number, including area code

(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: November 7, 2023

By: /s/ Matthew S. Filer

Matthew S. Filer

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



INVESTOR PRESENTATION

November 2023

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 public health emergencies or pandemics, such as 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

Value Proposition

10,000

Team members

64

Years of Success

250+

Facilities

\$3.6B

Q3'23 TTM
Revenue

\$6.78

Q3'23 TTM
Diluted EPS

Patrick's goal is to improve the quality of everyday life through better component products and building materials. We deliver on this promise by building strong relationships with partners and team members based on trust and proven performance.

Q3'23 TTM Highlights

**Pro Forma
Adjusted
EBITDA**

\$442M¹

Free Cash Flow

\$412M¹

Liquidity

\$700M

Total Net Leverage

2.5x^{1,2}

LEADERSHIP IN THE MARKETS WE SERVE

Leading Component Solutions Provider to OEMs



RV

43%
Q3'23 TTM net sales

Extensive Supplier to OEMs with Growing Aftermarket Presence



MARINE

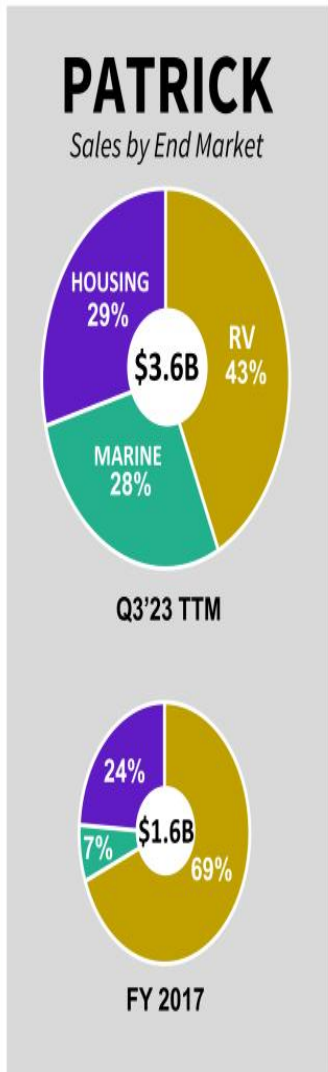
28%
Q3'23 TTM net sales

Strong OEM Relationships alongside Big Box Direct-To-Consumer Offerings



HOUSING

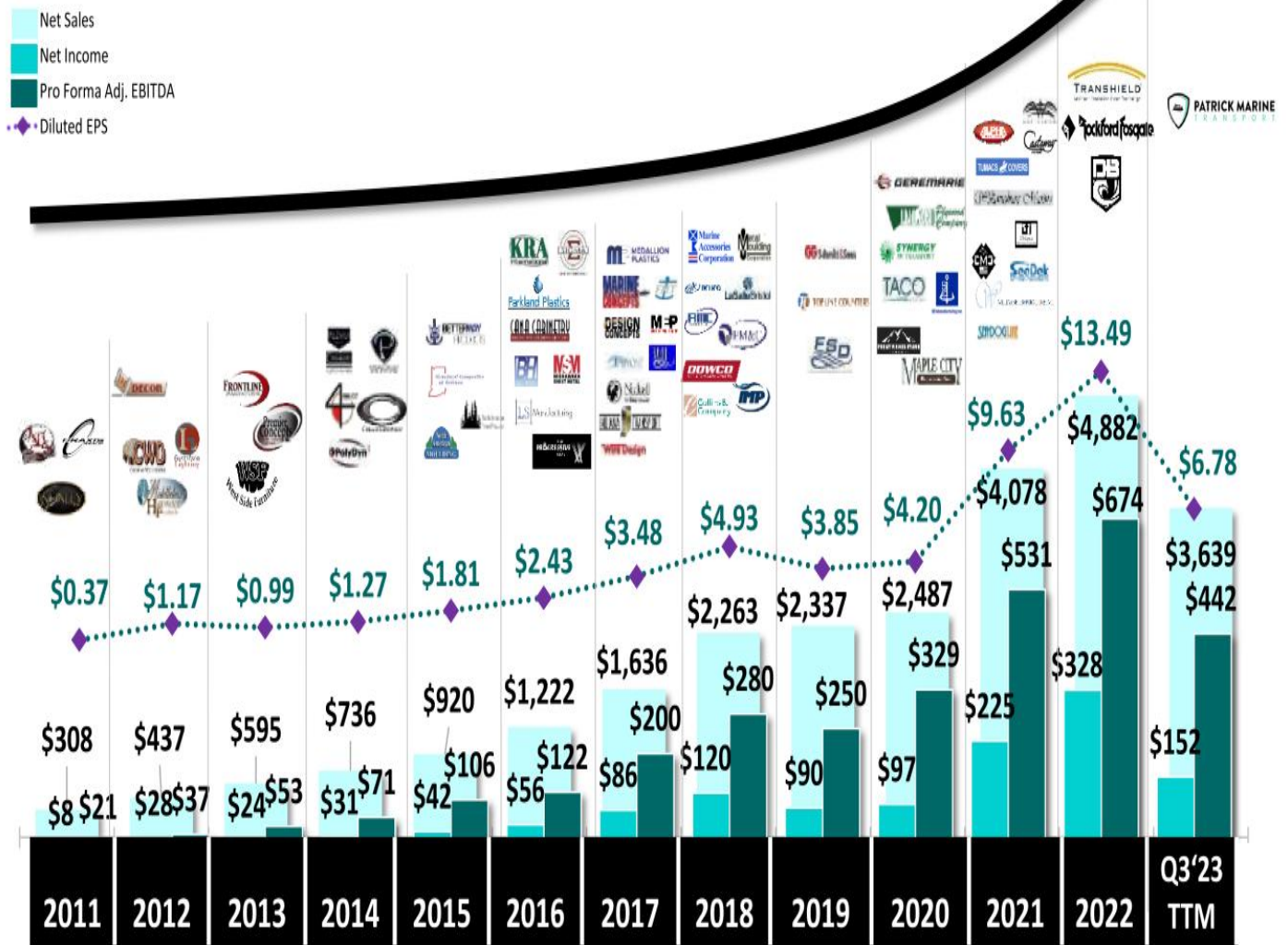
29%
Q3'23 TTM net sales



OUR STORY

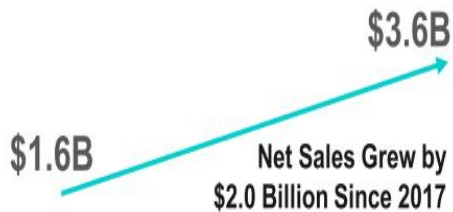
We Have Strategically Built An Incredible Organization Of Great People, Teams, Brands, And Leadership Focused On Embracing And Preserving The Entrepreneurial Spirit!

(\$ in millions, except per share data)



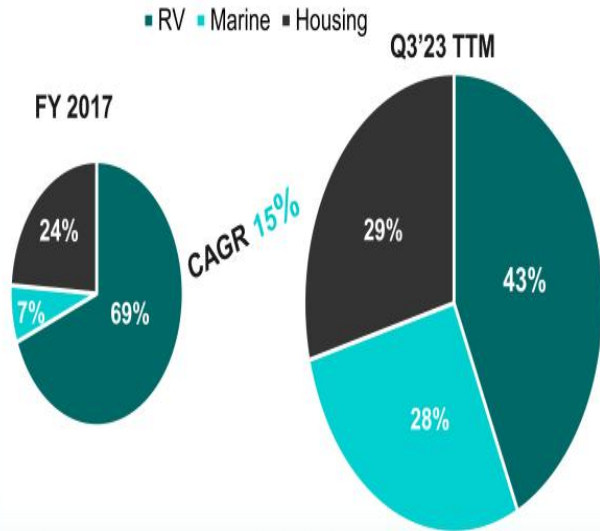
EVOLUTION OF PATK PORTFOLIO

Consistent Net Sales and Margin Growth (2017-Q3'23 TTM)



Gross Margin	17.1%	→	22.1%	+ 500 bps
Free Cash Flow	\$77M	→	\$412M	+ \$335M
EBITDA Margin ¹	9.5%	→	11.3%	+ 180 bps

Diversifying our Portfolio (Net Sales Composition as %)



Experienced Provider in RV and Affordable Housing

- Average customer relationship of PATK's major customers is **25+ years**
- Major supplier to Thor and Forest River
- PATK began **64 years ago** in the MH market, and now operates in the RV, Marine, Housing and Powersports markets

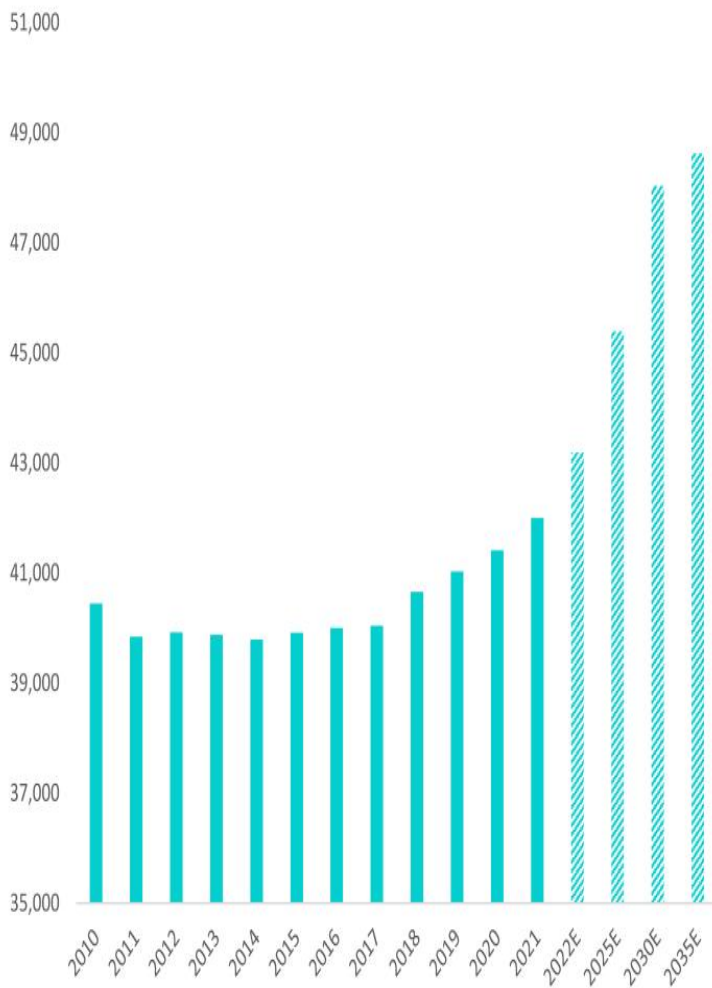
Growing Marine Market Penetration

	FY 2017	→	Q3'23 TTM
Marine Net Sales	\$112M		\$1.0B
Aftermarket as % of Marine	<1%		~18%



FAVORABLE INDUSTRY AND MACRO TRENDS

Target Demographic (US 35-44)
Continues to Grow *(in thousands)*²



82%
of Americans participated in outdoor activities in 2022¹

22%
Current RV owners are between ages 18-34³

37%
Gen Z have gone camping in 2022⁵

69%
Realtors reported that properties sold in less than one month⁴

49%
Private sellers who bought boats during the pandemic plan to upgrade⁶

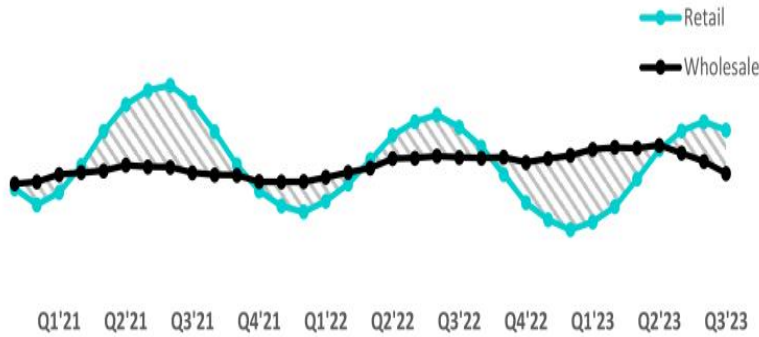
56%
RVers say they will use their RV more or the same amount during an economic downturn⁵



¹ WGO Industries third annual spotlight survey | ² US Census Bureau | ³ RV Industry Association/SSI/Company Estimates | ⁴ NAR Realtor Confidence Index September 2023 | ⁵ The 2023 North American Camping & Outdoor Hospitality Report sponsored by Kampgrounds of America, Inc. | ⁶ Boat Trader Survey 2023

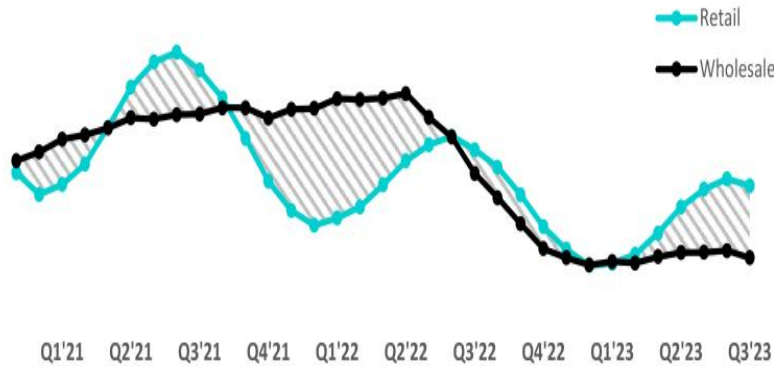
LEISURE LIFESTYLE MARKETS NORMALIZING AFTER RECENT PERIOD OF VOLATILE DEMAND

Marine Industry Shipments Trailing Six Months¹



	FY 2021	FY 2022	YTD 2023
Retail	220,200 (37,000)	Retail 188,200 12,800	Retail 157,410 (7,900)
Wholesale	183,200 Δ	Wholesale 201,000 Δ	Wholesale 149,510 Δ

RV Industry Shipments Trailing Six Months²



	FY 2021	FY 2022	YTD 2023
Retail	567,400 32,800	Retail 447,800 45,500	Retail 316,390 (78,270)
Wholesale	600,200 Δ	Wholesale 493,300 Δ	Wholesale 238,120 Δ

MARINE OUTLOOK AS OF Q3'23

- Estimated 2023 wholesale shipments expected to be down 15% - 17%
- Estimated 2023 retail shipments down 5% - 10%
- Inventory replenished for most categories, dealers & OEMs acting in very disciplined manner
- Dealer weeks-on-hand below historical levels

RV OUTLOOK AS OF Q3'23

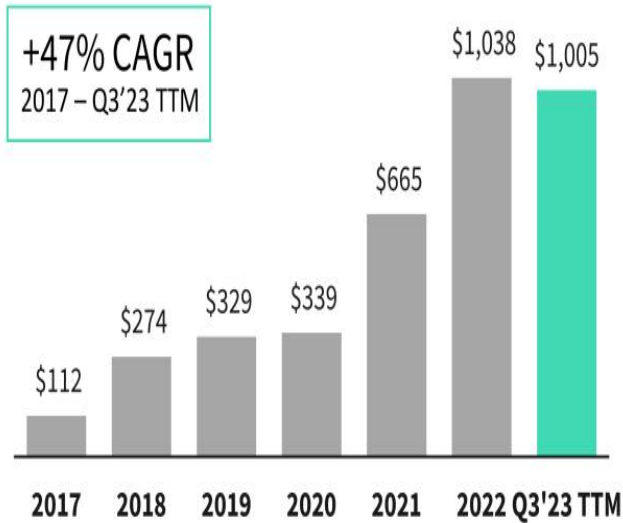
- Estimated 2023 wholesale shipments between 300,000 to 310,000 units
- Estimated 2023 retail shipments between 370,000 to 380,000
- Dealer inventory weeks-on-hand nearing pandemic levels
- Mix by model year healthy



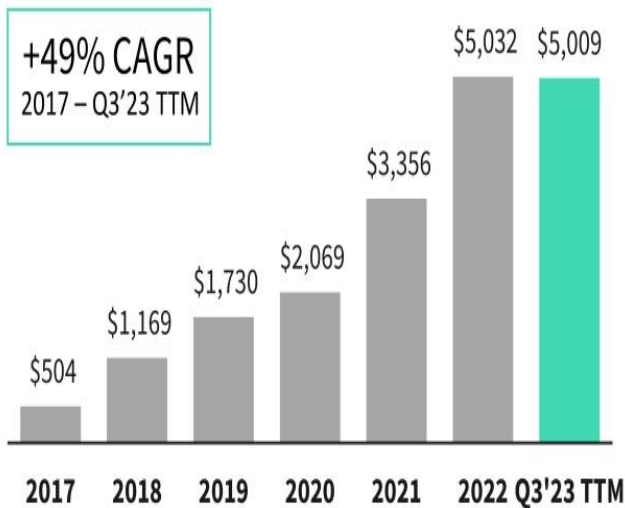
¹ Company estimates based on data published by the National Marine Manufacturers Association/ Statistical Surveys Inc. (SSI) | ² Company estimates based on data from RV Industry Association/SSI

MARKET INSIGHT: MARINE (28% of Sales)

MARINE NET SALES (\$ in millions)



TTM CONTENT PER WHOLESALE UNIT



DRIVERS

Marine OEMs showcasing disciplined production in response to a dealer and consumer base impacted by higher interest rates

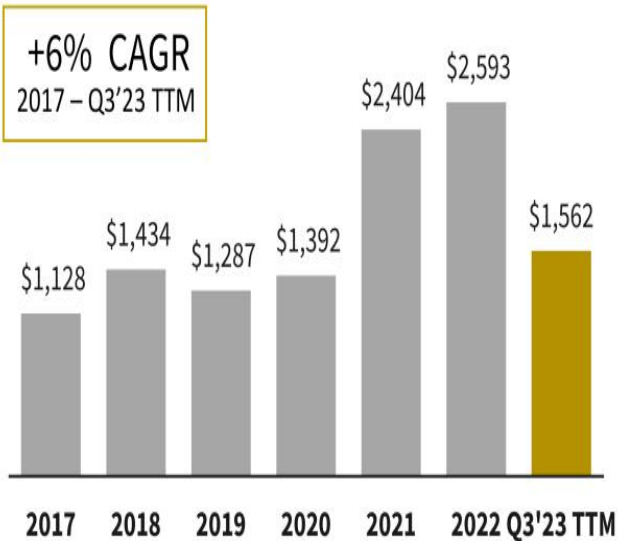
We remain focused on growing our presence in marine and its aftermarket, which tends to be higher margin and more resilient

PRIORITIZATION

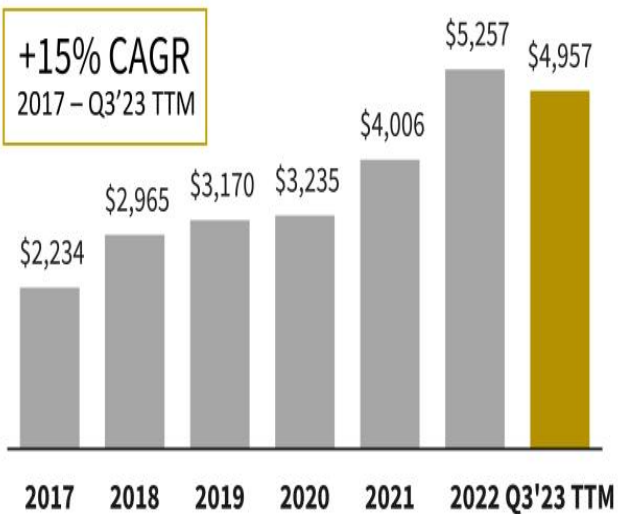
Continue developing relationships with OEMs and expanding our market share and product portfolio while growing our aftermarket portfolio and expanding our distribution footprint

MARKET INSIGHT: RV (43% of Sales)

RV NET SALES (\$ in millions)



TTM CONTENT PER WHOLESALE UNIT



DRIVERS

Q3'23 TTM revenue 12% higher than 2020 despite RV wholesale unit shipments being 27% lower

End-consumer demographic trending younger and more diverse

Disciplined OEM production improves long-term health of the market

Dealers continued to reduce inventory through Q3'23 leaving inventory lean heading into 2024

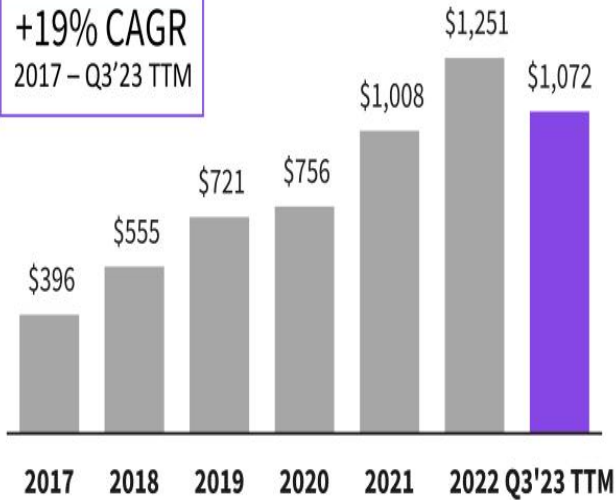
PRIORITIZATION

Consistently provide quality customer service and innovative component solutions to OEMs serving the RV industry, further enhancing the enjoyment of the leisure lifestyle for outdoor enthusiasts

MARKET INSIGHT: HOUSING (29% of Sales)

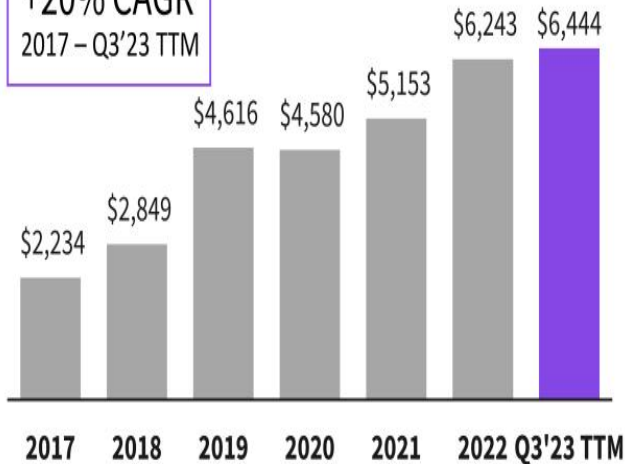
HOUSING NET SALES (\$ in millions)

+19% CAGR
2017 – Q3'23 TTM



TTM MH CONTENT PER WHOLESALE UNIT

+20% CAGR
2017 – Q3'23 TTM



DRIVERS

Strong demand for affordable housing with limited inventory available

MH remains an attractive option to those seeking affordable housing

High mortgage rates are limiting the number of homes on the secondary market, further constricting supply

PRIORITIZATION

Drive share gains through expanded product offerings and continued close partnership with customers



TEAM DELIVERED SOLID PERFORMANCE IN DYNAMIC ENVIRONMENT

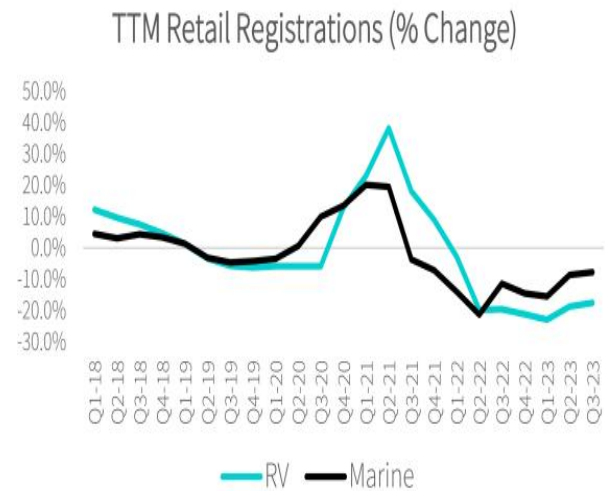
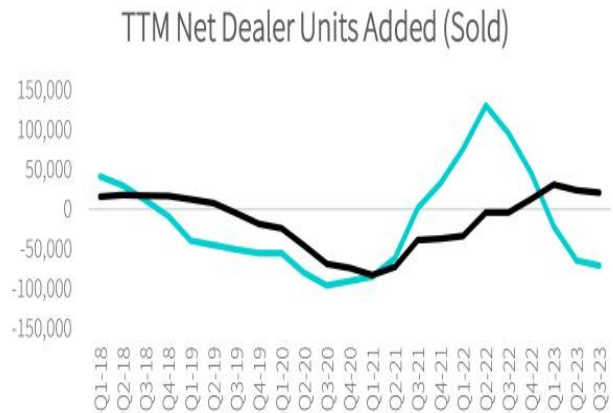
DRIVING LONG-TERM GROWTH

- Experienced, tested leadership team
- Diverse end markets continue to support success
- Solid cost control and strong balance sheet
- Strategic deployment of capital

BUSINESS TRANSFORMATION EVIDENT IN Q3 RESULTS

(\$ in millions except per share data)	Q3 2019	Q3 2023	Δ
Wholesale RV Shipments	93,360	73,300	(21%)
Total Net Sales	\$566	\$866	+53%
<i>Total RV Sales</i>	\$310	\$400	+29%
<i>Total Marine Sales</i>	\$75	\$205	+174%
<i>Total Housing Sales</i>	\$181	\$261	+44%
Gross margin	18.4%	23.0%	+460 bps
Operating margin	6.6%	8.2%	+160 bps
Diluted EPS	\$0.92	\$1.81	+97%
Free cash flow	\$24	\$105	+333%

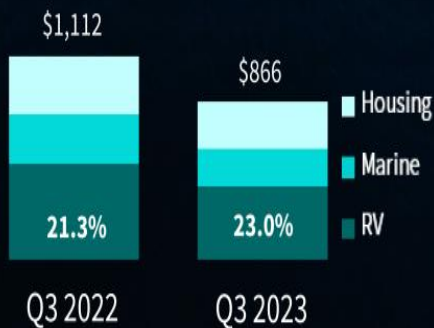
CONTINUED INVENTORY DISCIPLINE IN OUTDOOR ENTHUSIAST MARKETS WITH STABILIZING RETAIL TRENDS¹



Q3 2023 FINANCIAL PERFORMANCE

(\$ millions except per share data)

NET SALES & GROSS MARGIN



OPERATING INCOME & MARGIN



DILUTED EPS



- Net Sales declined 22%, mainly driven by a decline in shipments across our end markets and lower pricing, which was passed on to our customers to reflect changes in certain commodity costs, partially offset by market share gains
- Gross margin improved 170 basis points; strategic diversification strategy, improved cost and inventory management, and operational efficiencies helped to offset shipment declines
- Operating margin remained resilient but decreased Y/Y due to lower net sales and increased amortization related to acquisitions and continued investment in IT and automation
- Made an \$11M investment in capital expenditures to support automation, production efficiency initiatives, and information technology
- Generated operating cash flow of \$115M and reduced outstanding debt balances by \$112M

BALANCE SHEET AND LIQUIDITY

DEBT STRUCTURE AND MATURITIES¹

- \$150.0M Term Loan (\$131.3M o/s), scheduled quarterly installments; balance due August 2027
- \$775.0M (\$85.0M o/s) Senior Secured Revolver, due August 2027
- \$300.0M 7.50% Senior Notes, due October 2027
- \$258.8M 1.75% Convertible Senior Notes, due December 2028
- \$350.0M 4.75% Senior Notes, due May 2029

NET LEVERAGE² (\$ millions)

Total Debt Outstanding	\$	1,125.0
Less: Cash and Debt Paid as Defined by the Credit Agreement		(21.2)
Net Debt	\$	1,103.8
TTM Pro-Forma Adjusted EBITDA	\$	441.7
Net Debt to Pro-Forma Adjusted EBITDA		2.5 x

COVENANTS AND RATIOS¹

- Consolidated Net Leverage Ratio – 2.5x
- Consolidated Secured Net Leverage Ratio – 0.44x versus 2.75x maximum
- Consolidated Fixed Charge Coverage Ratio – 2.88x vs. minimum 1.50x

LIQUIDITY (\$ millions)

Total Revolver Credit Capacity	\$	775.0
Less: Total Revolver Used (including outstanding letters of credit)		(91.9)
Unused Credit Capacity	\$	683.1
Add: Cash on Hand		16.4
Total Available Liquidity	\$	699.5

Strong Balance Sheet and Favorable Capital Structure to Support Investments and Pursue Attractive Growth Opportunities

QUARTERLY DEPLOYMENT OF CAPITAL



Deploy strong cash flows to highest value projects



Utilize capital resources to grow and reinvest



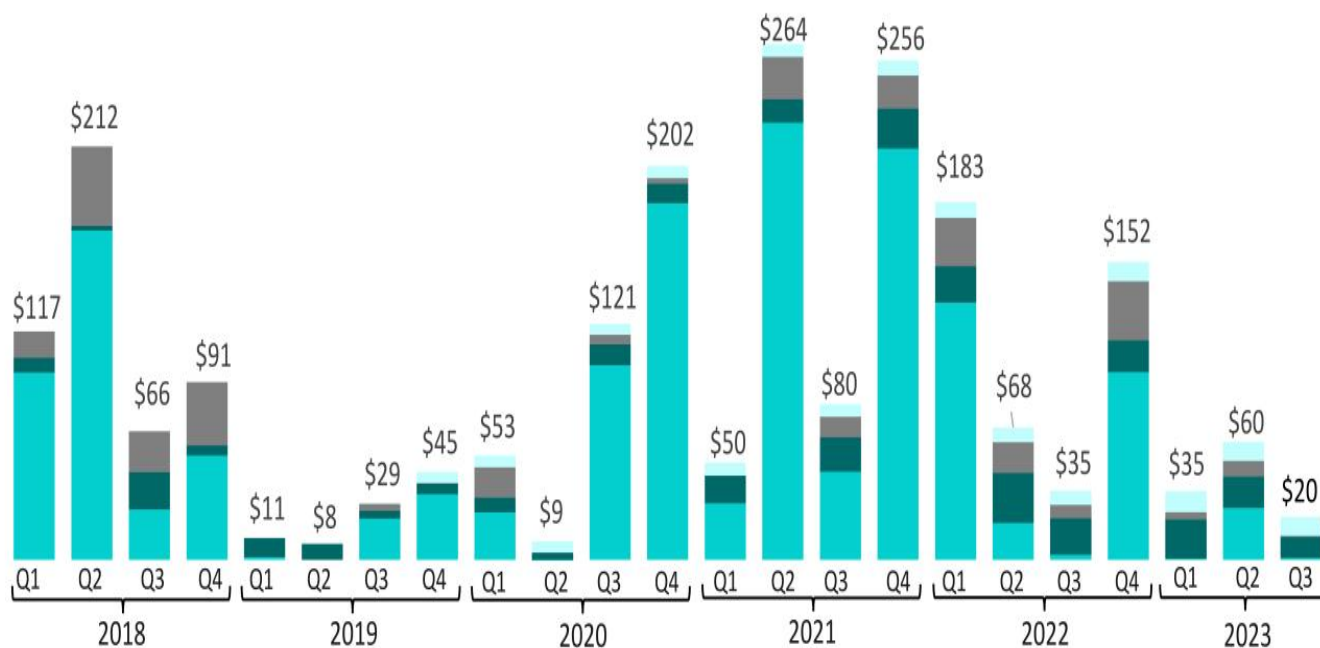
Maintain a disciplined leverage position



Share buybacks and quarterly dividends

■ Acquisitions ■ Capital Expenditures ■ Share Buybacks ■ Dividends

(\$ in millions)



Our Capital Allocation Strategy Seeks To Balance Prioritizing Shareholder Value With Strategic Business Growth For Near And Long-term Success

The Patrick Approach to Driving Growth



PROFITABLE GROWTH ENGINE

STRATEGIC ACQUISITIONS

Pursue accretive acquisition opportunities to further strengthen primary markets and explore potential adjacent markets

INNOVATION

New product development and product line extensions to further enhance Patrick's extensive proprietary product offerings

GEOGRAPHIC EXPANSION

Grow presence and geographic footprint to drive logistics efficiency

INDUSTRY GROWTH

Positioned to capitalize on long-term secular growth and favorable demographics in all end markets through robust capacity

MARKET LEADER

Leading market position in key product categories (ski/wake towers, RV/Marine logistic solutions)

CUSTOMER RELATIONSHIPS

Cross-pollinate sales across customers and market sectors in the Leisure Lifestyle space

These Growth Initiatives Have Resulted In Patrick Becoming A Leading Component Solutions Provider In The Leisure Lifestyle And Housing Markets

M&A CRITERIA AND FILTERS FOR SUCCESSFUL STRATEGIC INVESTMENTS

Strategic Criteria



Key Market Category



Market Leadership



Strong Leadership Team
and Cultural Fit



Geographic / Market Expansion



Executable Revenue
Synergies



Strong Track Record of Operational
Success



EPS Accretion in First Full Year

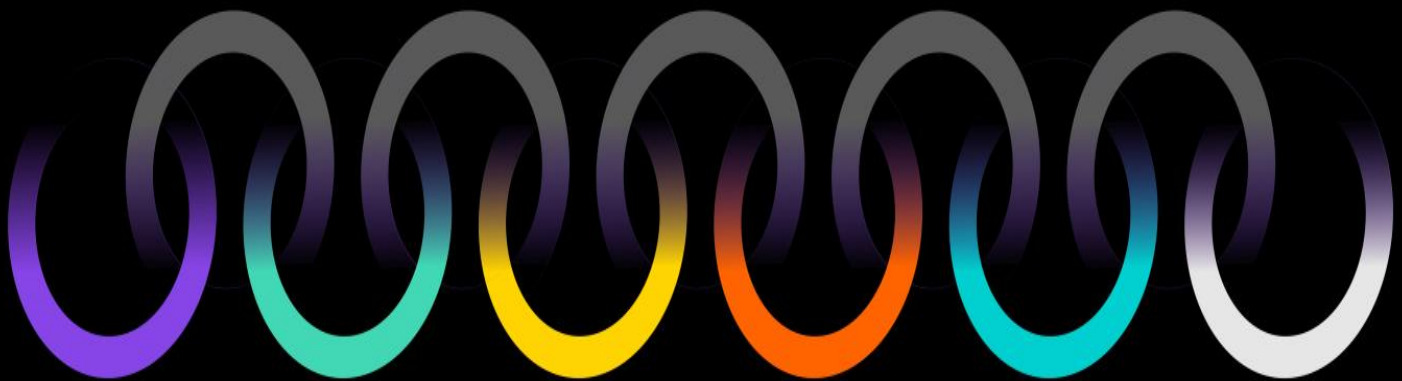


ROIC > Internal hurdle rate



Accretive to Profit Margins

OUR VALUES



BALANCE

We work to build a healthy work environment that encourages excellence, happiness, and peace in both our work and our home life.

EXCELLENCE

We strive to meet the highest possible standards of achievement in our work and relationships.

TRUST

We do what we say we will do every time — and communicate with all stakeholders if a commitment evolves.

TEAMWORK

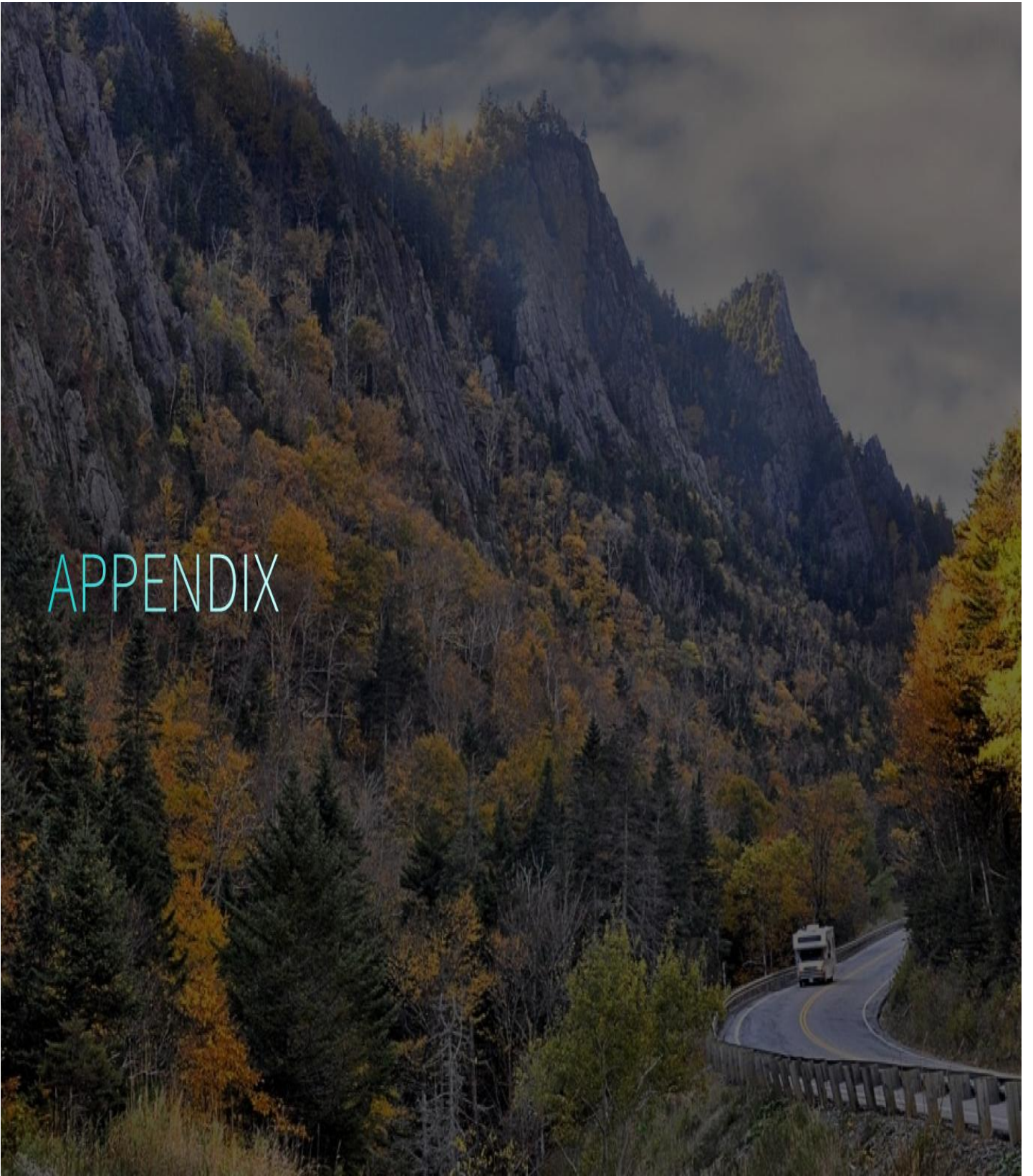
We challenge, encourage, equip, empower, and inspire the individuals we work with.

EMPOWERMENT

We give our team members the information, tools and trust they need to grow as leaders and achieve results.

RESPECT

We treat our teammates and partners with the utmost honor and dignity.



APPENDIX



NON-GAAP RECONCILIATIONS

Use of Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures. Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and in the analysis of ongoing operating trends. These measures should be considered in addition to, and not as replacements for, the most comparable GAAP measure.

-Earnings before interest, taxes, depreciation and amortization ("EBITDA"), Pro-Forma Adjusted EBITDA, and Net Debt to Pro-Forma Adjusted 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.

-We calculate free cash flow by subtracting cash paid for purchases of property, plant and equipment from cash flow from operations.

- Figures may not sum due to rounding.

* As defined by credit agreement which includes debt and cash balances

RECONCILIATION OF NET INCOME TO EBITDA TO PRO-FORMA ADJUSTED EBITDA*

(\$ in millions)	Fiscal Year Ended December 31,						Q3'23 TTM
	2017	2018	2019	2020	2021	2022	
Net Income	\$ 86	\$ 120	\$ 90	\$ 97	\$ 225	\$ 328	\$ 152
+ Interest Expense	9	26	37	43	58	61	69
+ Income Taxes	27	32	28	33	69	107	49
+ Depreciation and Amortization	33	55	63	74	105	131	143
EBITDA	\$ 155	\$ 233	\$ 218	\$ 247	\$ 457	\$ 627	\$ 413
Net Sales	\$ 1,636	\$ 2,263	\$ 2,337	\$ 2,487	\$ 4,078	\$ 4,882	\$ 3,639
EBITDA Margin (%)	9.5%	10.3%	9.3%	9.9%	11.2%	12.8%	11.3%
+ Stock Compensation	10	14	15	16	23	22	20
+ Acquisition proforma, transaction-related expenses and other	35	33	17	66	51	25	9
Proforma Adjusted EBITDA	\$ 200	\$ 280	\$ 250	\$ 329	\$ 531	\$ 674	\$ 442

RECONCILIATION OF NET LEVERAGE*

(\$ in millions)

Total debt outstanding @ 10/1/2023	\$ 1,125.0
Less: cash on hand @ 10/3/2023	(21.2)
Net debt @ 10/3/2023	\$ 1,103.8
TTM Pro-Forma Adjusted EBITDA	\$ 441.7
Net Debt to Pro-Forma Adjusted EBITDA	2.5x

RECONCILIATION OF FREE CASH FLOW





(\$ in millions)	Q3 2019	Q3 2023	FY 2017	Q3 2023 TTM
Cash Flows from Operations	\$ 28.2	\$ 115.5	\$ 99.9	\$ 475.7
Less: Capital Expenditures	(4.0)	(10.9)	(22.5)	(63.8)
Free Cash Flow	\$ 24.2	\$ 104.6	\$ 77.4	\$ 411.9

END MARKET CATEGORIES

RV PRODUCT CATEGORIES¹

TOWABLE Shipments: 88% Wholesale 65% Retail Value		MOTORIZED Shipments: 12% Wholesale 35% Retail Value	
Travel Trailer ASP: \$32,100	Fifth Wheel ASP: \$74,200	Class A ASP: \$257,800	Class B & C ASP: \$130,800
			

MARINE PRODUCT CATEGORIES²

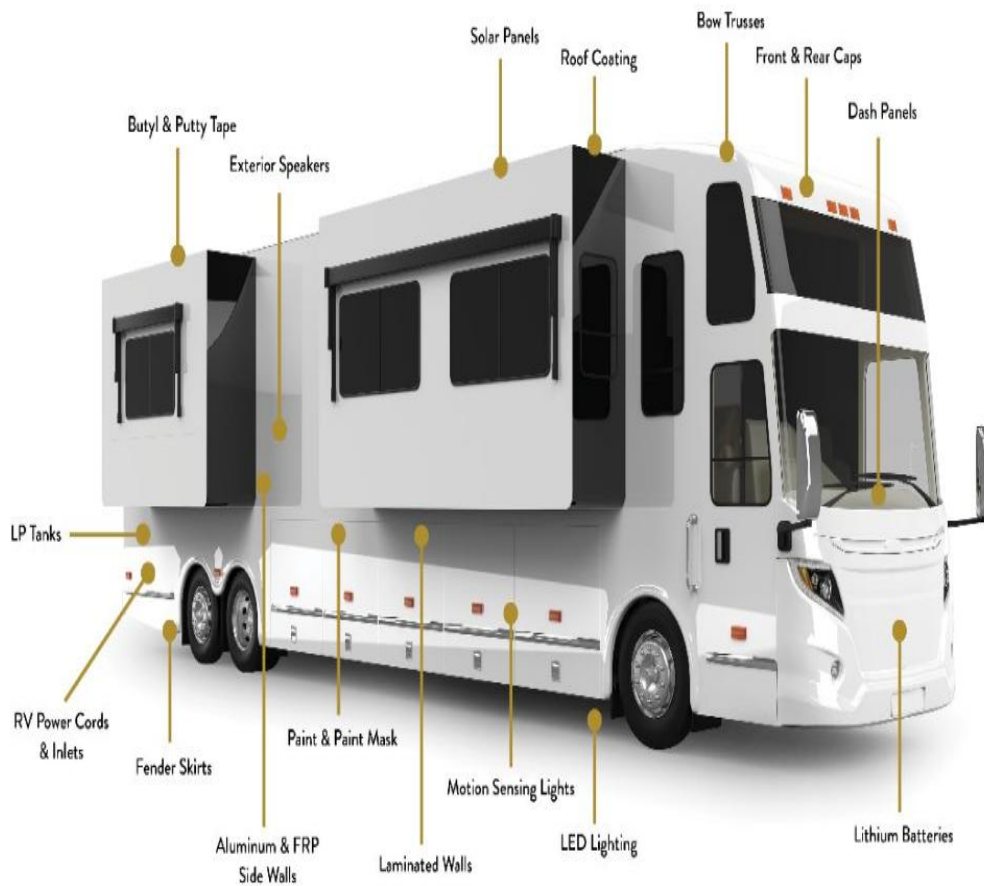
Pontoon	Ski & Wake	Fiberglass	Aluminum
ASP: \$55,000 33% of Market	ASP: \$130,000 7% of Market	ASP: \$101,000 37% of Market	ASP: \$31,900 23% of Market
			

MANUFACTURED HOUSING PRODUCT CATEGORIES³

Single-Section Homes	Multi-Section Homes
ASP: \$72,600 42% of Market	ASP: \$132,000 58% of Market
	

¹ Source: RVIA 2022 Industry profile (travel trailer ASPs & stats include camping trailers and truck campers) | ² Source: NMMA 2021 Statistical Abstract | ³ Source: Manufactured Housing Institute

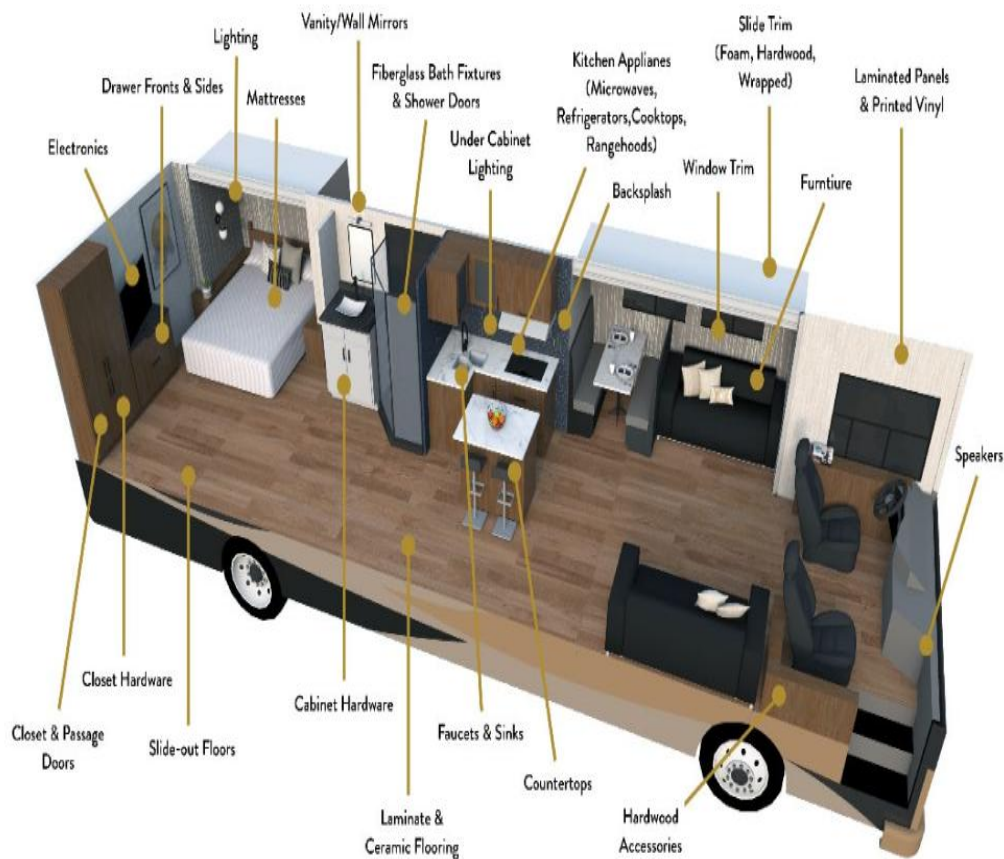
PATRICK PRODUCT LINES: RV EXTERIOR



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

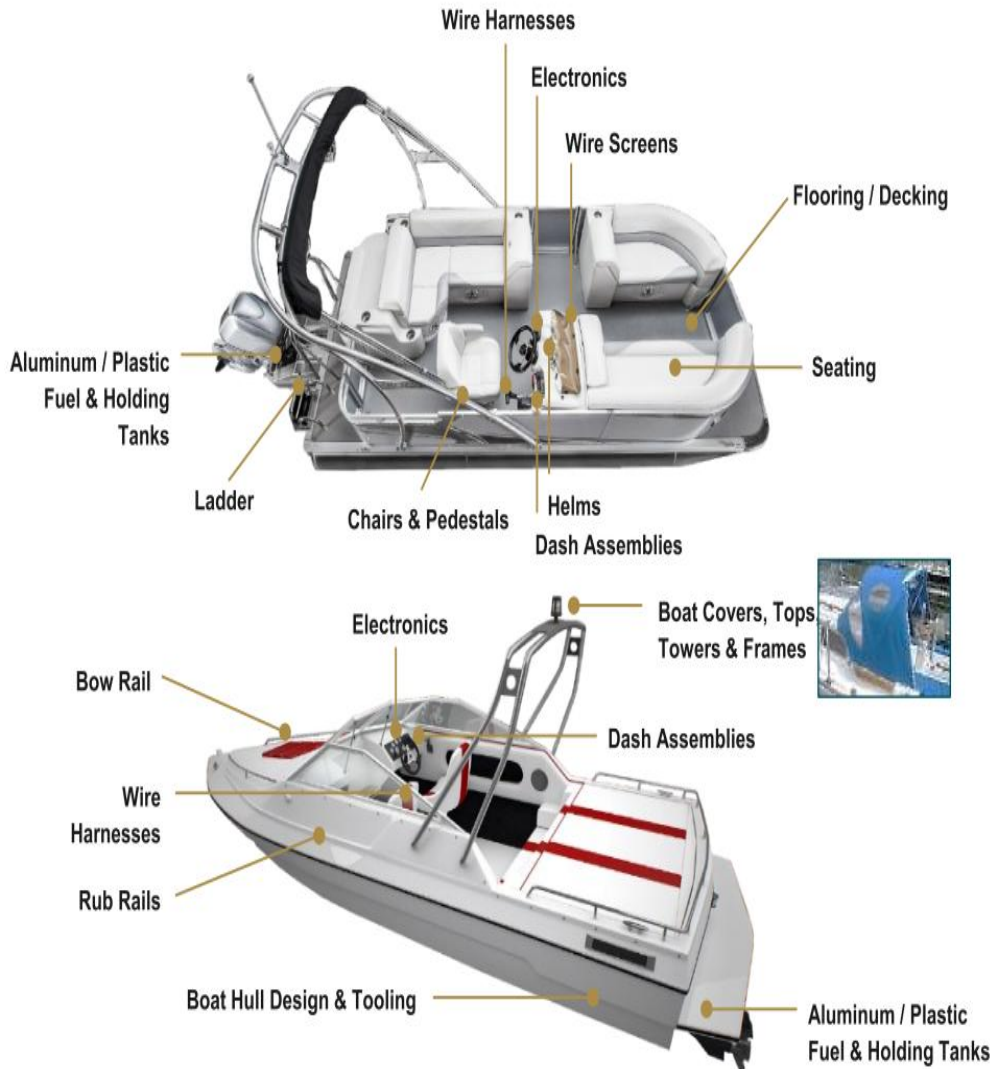
PATRICK PRODUCT LINES: RV INTERIOR



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

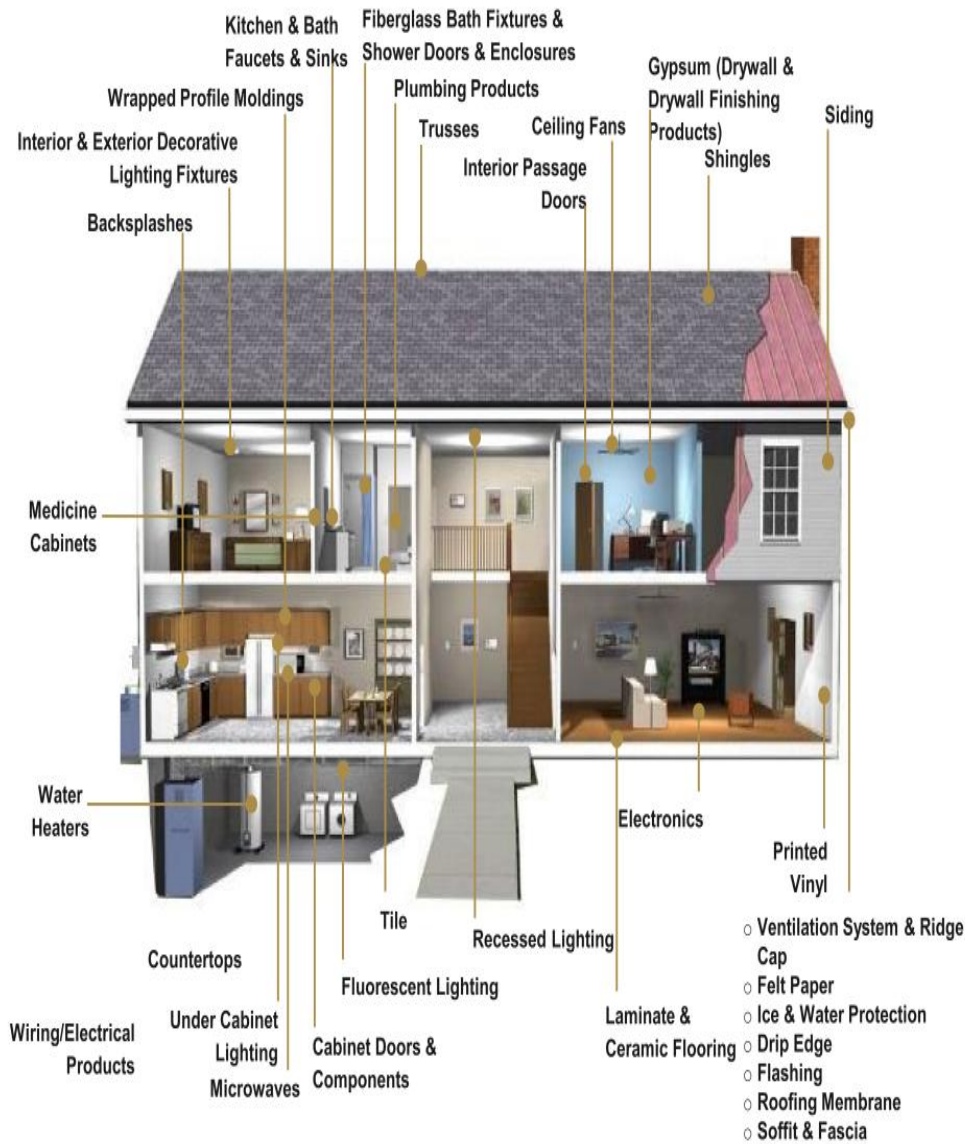
PATRICK PRODUCT LINES: MARINE



Additional Supplied Products

- Windshields (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
- Boat Covers

PATRICK PRODUCT LINES: 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

