



NO MISSION STATEMENTS.
JUST PEOPLE ON A MISSION.



 **UFP INDUSTRIES**



UFP INDUSTRIES, INC.

Please be aware that: Statements included in this presentation that are not historical are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act, as amended, and are based on management's beliefs, assumptions, current expectations, estimates, and projections about the markets we serve, the economy, and the company itself. Words like "anticipates," "believes," "confident," "estimates," "expects," "forecasts," "likely," "plans," "projects," "should," variations of such words, and similar expressions identify such forward-looking statements. These statements do not guarantee future performance and involve certain risks, uncertainties and assumptions that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. The Company does not undertake to update forward-looking statements to reflect facts, circumstances, assumptions or events that occur after the date the forward-looking statements are made. Actual results could differ materially from those included in such forward-looking statements. Investors are cautioned that all forward-looking statements involve risks and uncertainty. Among the factors that could cause actual results to differ materially from forward-looking statements are the following: Fluctuations in the price of lumber; adverse or unusual weather conditions; adverse conditions in the markets we serve; government regulations, particularly involving environmental and safety regulations; and our ability to make successful business acquisitions. Certain of these risk factors as well as other risk factors and additional information are included in the Company's reports on Form 10-K and 10-Q on file with the Securities and Exchange Commission.

Non-GAAP Financial Information: This presentation includes certain financial information not prepared in accordance with U.S. GAAP. Because not all companies calculate non-GAAP financial information identically (or at all), the information herein may not be comparable to other similarly titled measures used by other companies. Management considers adjusted EBITDA and return on invested capital to be non-GAAP alternative performance measures which may provide useful information to investors

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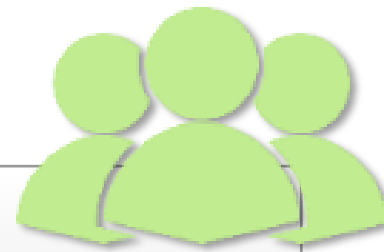
INTRODUCTION

UFP AT A GLANCE



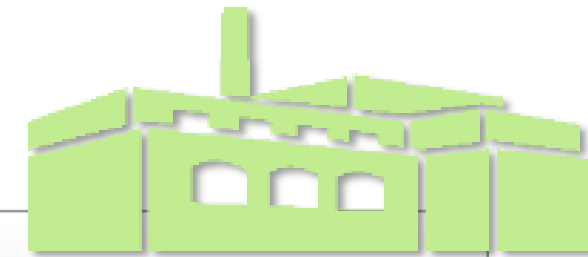
1955

Company founded in
Grand Rapids, MI



15,000+

Number of employees
worldwide



208

Number of facilities
worldwide

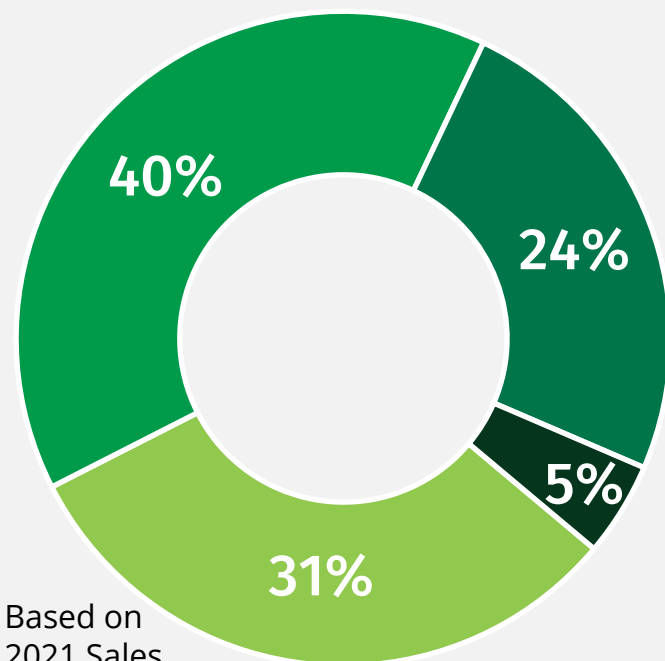


\$8.6B

2021 Revenue

\$835M

2021 Adjusted EBITDA



Based on
2021 Sales

Retail - \$3.4B

Big box, independents, & buying co-ops

Construction - \$2.7B

Single and multi-family builders, commercial builders, concrete formers, factory-built housing (mobile & modular homes) & RVs

Industrial - \$2.1B

Industrial packaging, packaging materials & OEM components

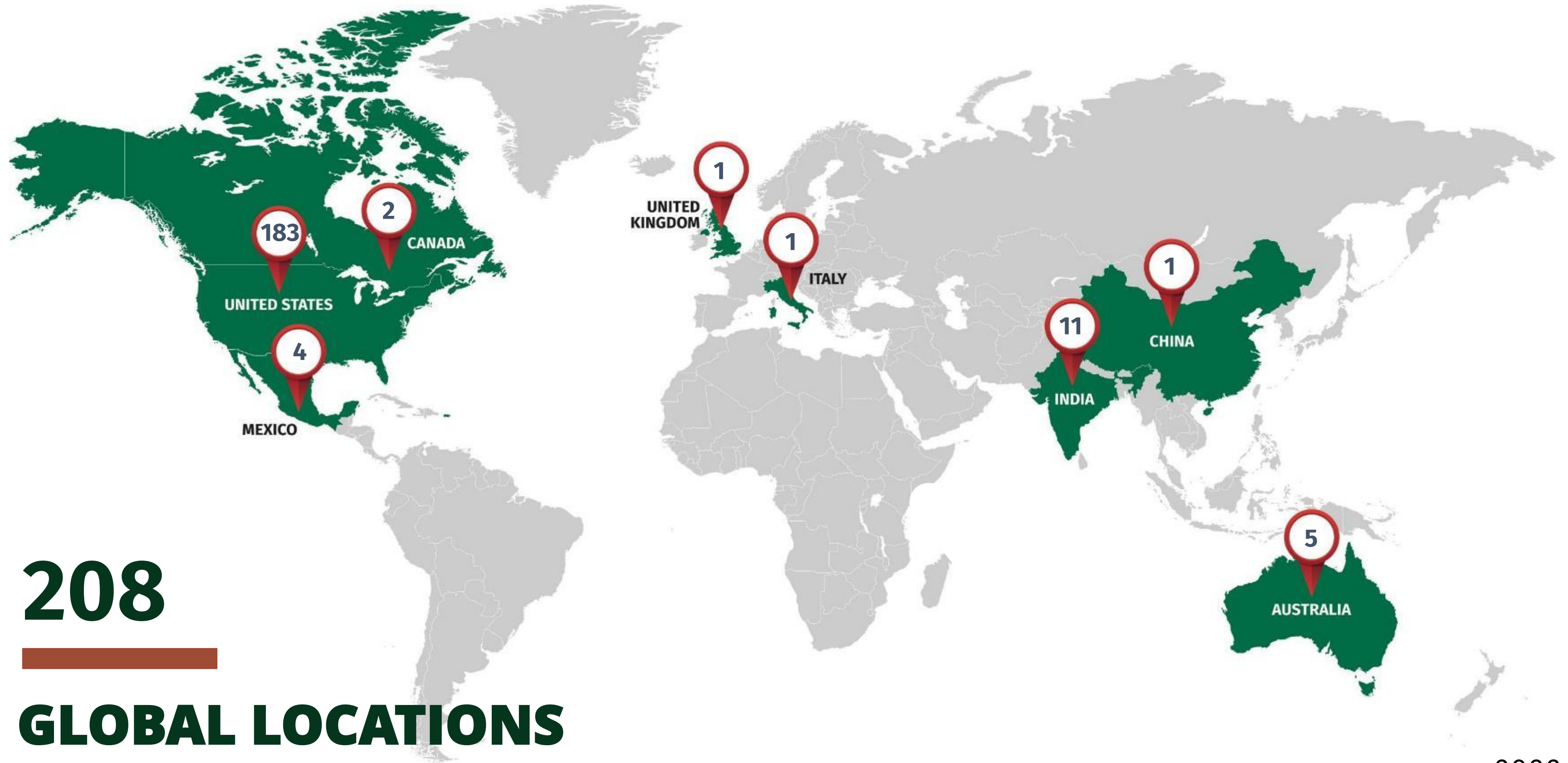
International - \$0.4B

Overseas sourcing and selling with manufacturing and design assets in nine countries.



INTRODUCTION

WHERE WE ARE



208

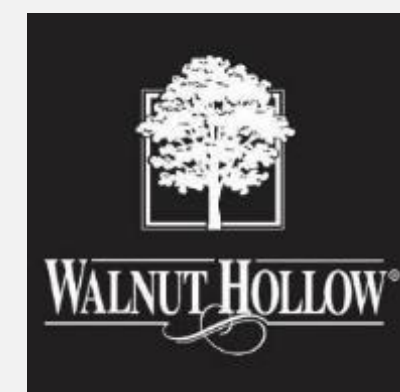
GLOBAL LOCATIONS

2022





VALUE-ADDED TRANSFORMATION





UFP INDUSTRIES

MANAGEMENT (R)EVOLUTION

1955 - 2019

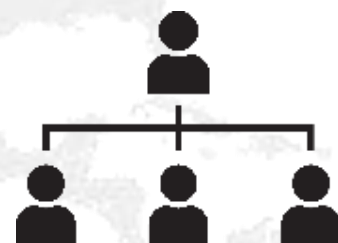


Universal Forest Products

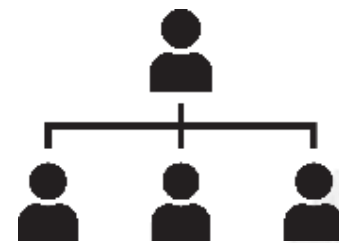
Western Division



Southern Division



Northern Division



2020 and Beyond



UFP INDUSTRIES



UFP INDUSTRIAL
A UFP INDUSTRIES COMPANY



UFP CONSTRUCTION
A UFP INDUSTRIES COMPANY



UFP RETAIL SOLUTIONS
A UFP INDUSTRIES COMPANY

Since our founding through 2019, we managed our people and plants regionally. Beginning January 1, 2020, we realigned our management teams to focus specifically on **business segments rather than geographies**. At the same time, we changed our name to better reflect the breadth of our product mix.

The new structure brought greater focus, resulting in:

- Improved alignment with our customers
- Faster introduction of new, value-added products
- Better, quicker decision making
- More effective allocation of capital
- More consistent execution

2022



BUSINESS MODEL

LONG-TERM FINANCIAL GOALS

Annual unit sales
growth of 5-7
percent, including
small acquisitions

10% Adjusted
EBITDA margin

Earn incremental
ROIC on new
investment
greater than WACC

Maintain a
conservative capital
structure





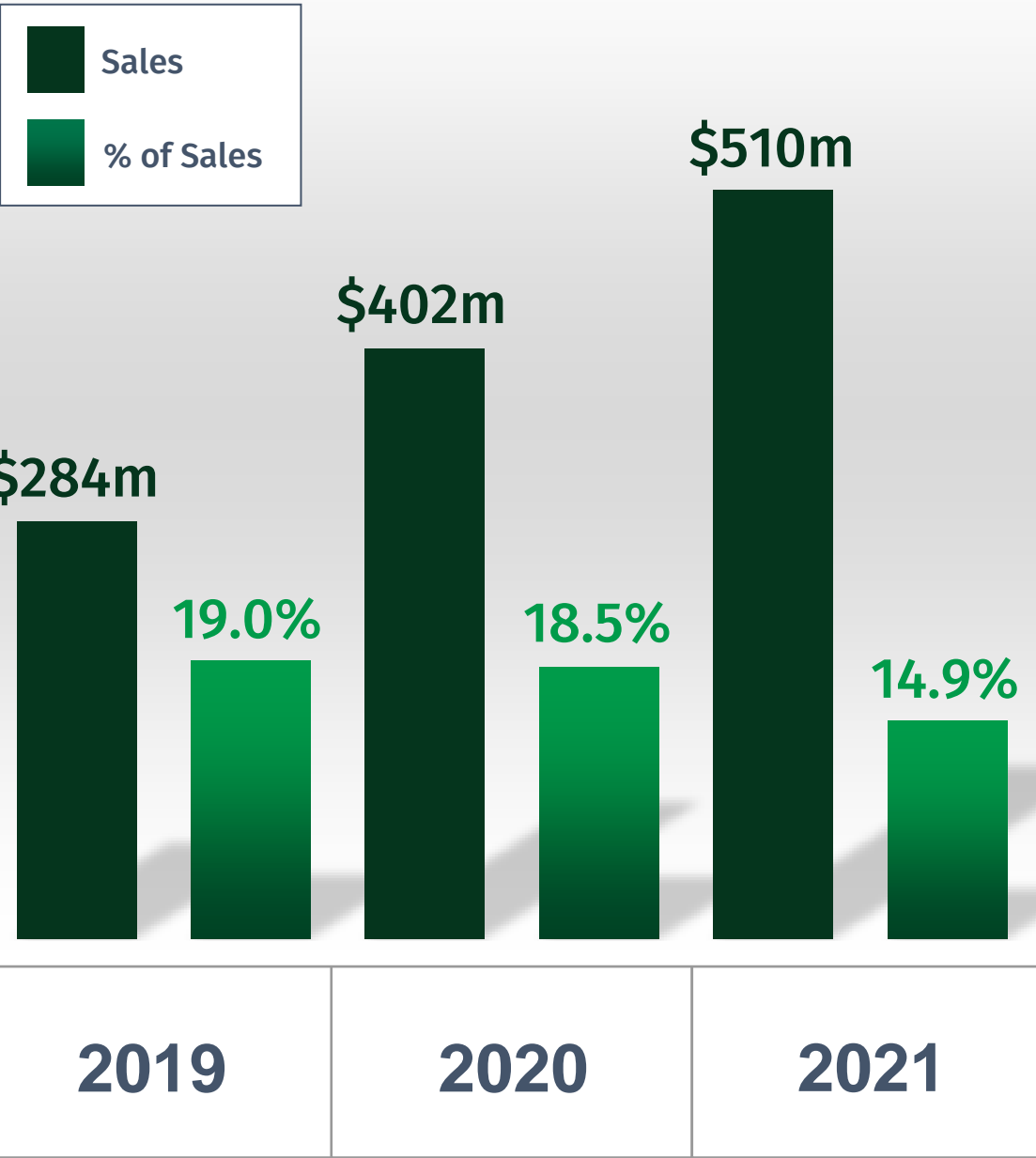
BUSINESS SEGMENTS & PRODUCT MIX EVOLUTION



UFP RETAIL SOLUTIONS

A UFP INDUSTRIES COMPANY

New Products



Prowood

\$1,743M* 2021

Sunbelt Forest Products

\$774M 2021

DecKorators

\$249M 2021

UFP Edge

\$545M** 2021

Value-added as a Percent of Sales



Note: Lumber price appreciation more significantly impacts commodity-based products compared to value-add products.

*Includes \$393M in Outdoor Essentials
**Includes \$396M in Retail Building Materials

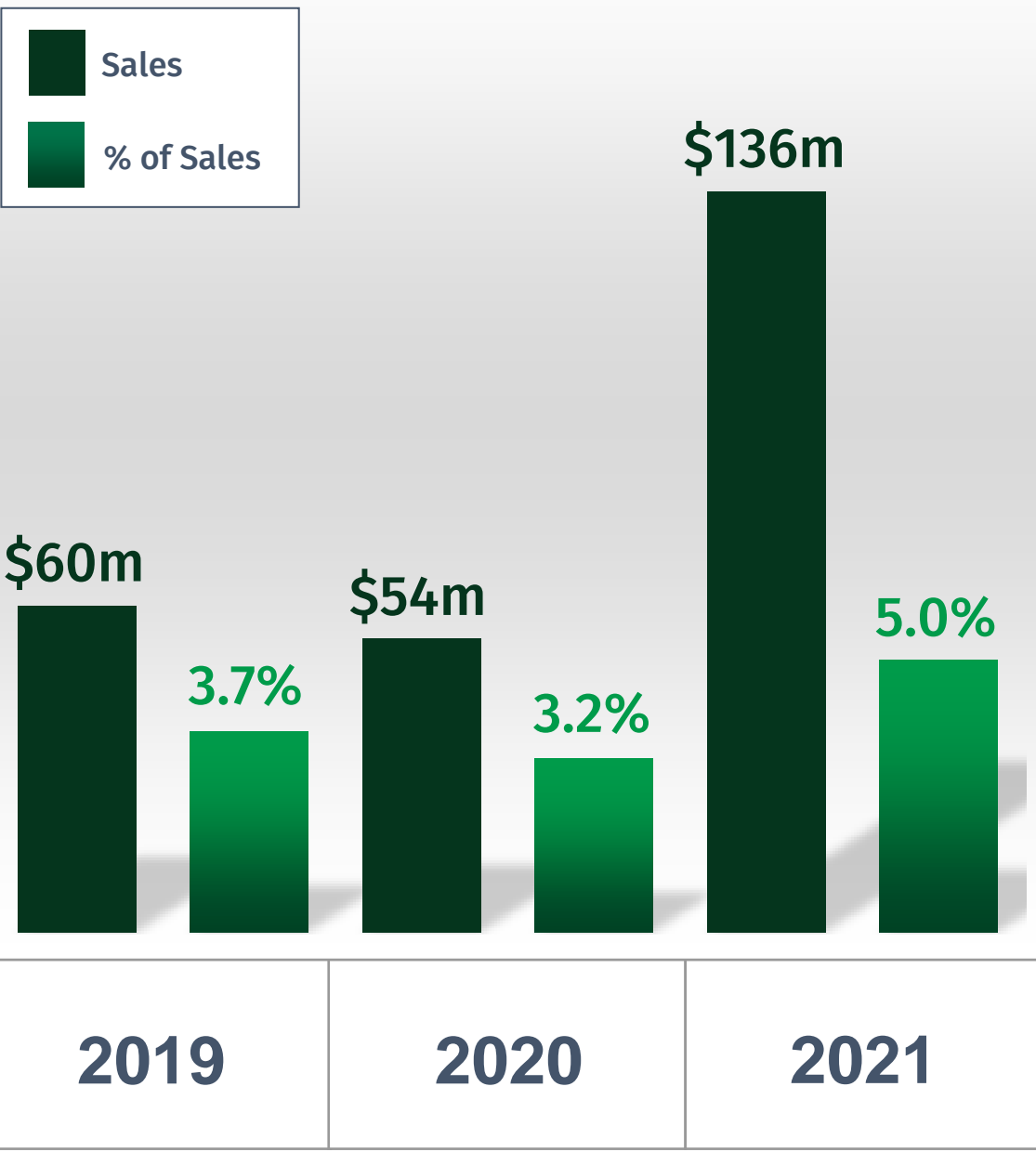




BUSINESS SEGMENTS & PRODUCT MIX EVOLUTION



New Products



Site Built

\$1.2B 2021

Factory-Built

\$1.1B 2021

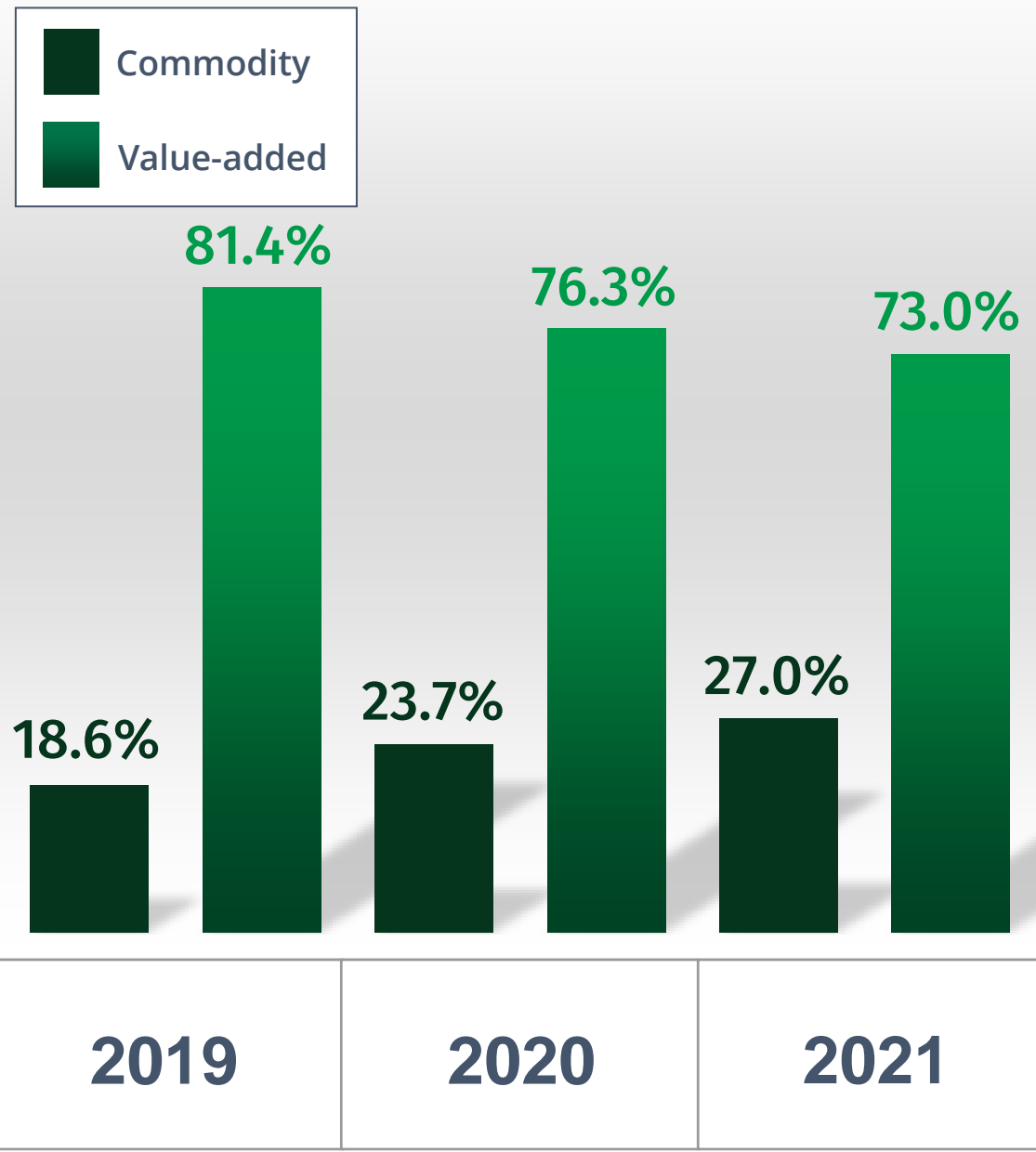
Commercial

\$259M 2021

Concrete Forming

\$150M 2021

Value-added as a Percent of Sales



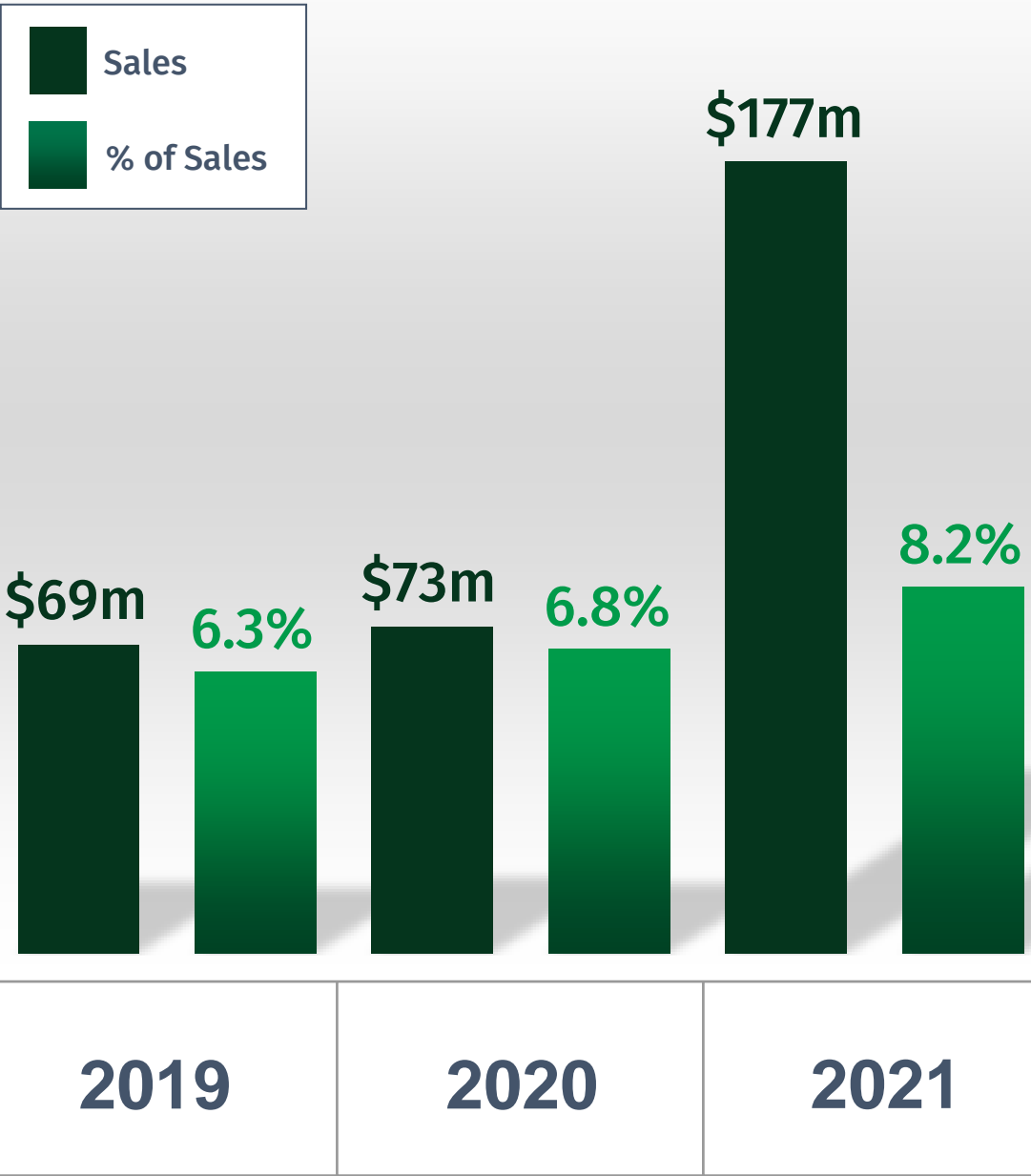
Note: Lumber price appreciation more significantly impacts commodity-based products compared to value-add products.



BUSINESS SEGMENTS & PRODUCT MIX EVOLUTION



New Products



Structural Packaging and OEM Parts

\$1.8B 2021

Protective Packaging Materials

\$19M 2021

Machine-Built Pallets

\$355M 2021

Value-added as a Percent of Sales



Note: Lumber price appreciation more significantly impacts commodity-based products compared to value-add products.



BUSINESS SEGMENTS



UFP INTERNATIONAL

A UFP INDUSTRIES COMPANY

UFP International actively trades lumber, packaging and building materials in 65 countries to supply local and multinational customers across major markets. Additionally, UFP has manufacturing and distribution facilities in Canada, Mexico, Italy, Australia and India to support our efforts as a global Industrial packaging solutions provider.



2021 Sales: \$339 million



BUSINESS MODEL

ACQUISITIONS

PROCESS

Identify attractive growth runways in each Business Unit under each Business Segment and identify gaps in our capabilities to pursue those runways.

PURPOSE

Find new products and services to speed our transformation from commodity sales to value-added selling solutions and brands.

GOAL

Achieve scale and synergy targets to optimize growth, margins and returns.





BUSINESS MODEL

A UNIQUE CULTURE BUILT FOR GOOD TIMES AND BAD





FINANCIALS



MANAGING LUMBER MARKET RISK TO EARN A STABLE PROFIT PER UNIT



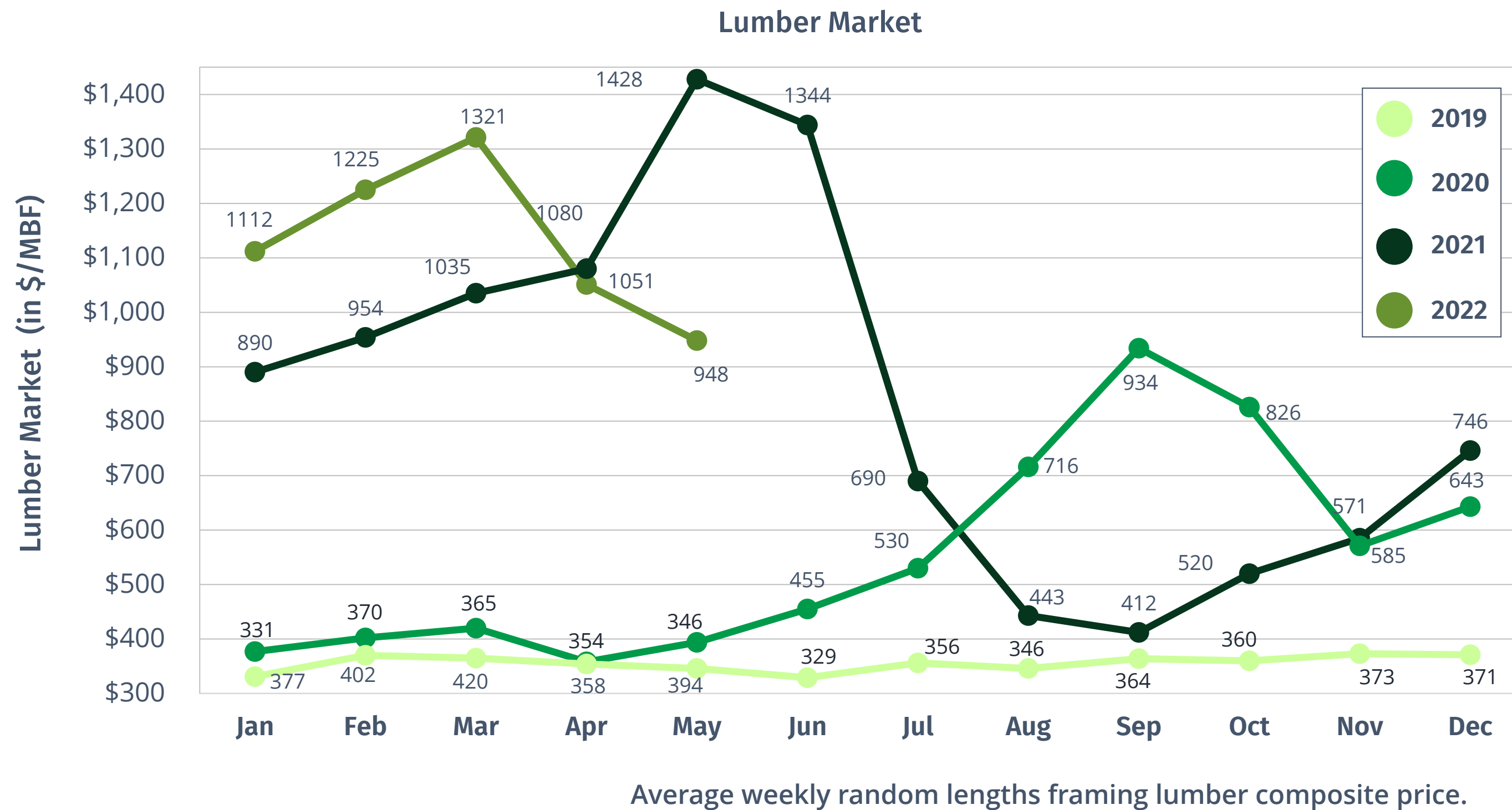
Level of lumber prices affects gross profit and SG&A to sales ratios



Sequential **trends** affect profit per unit



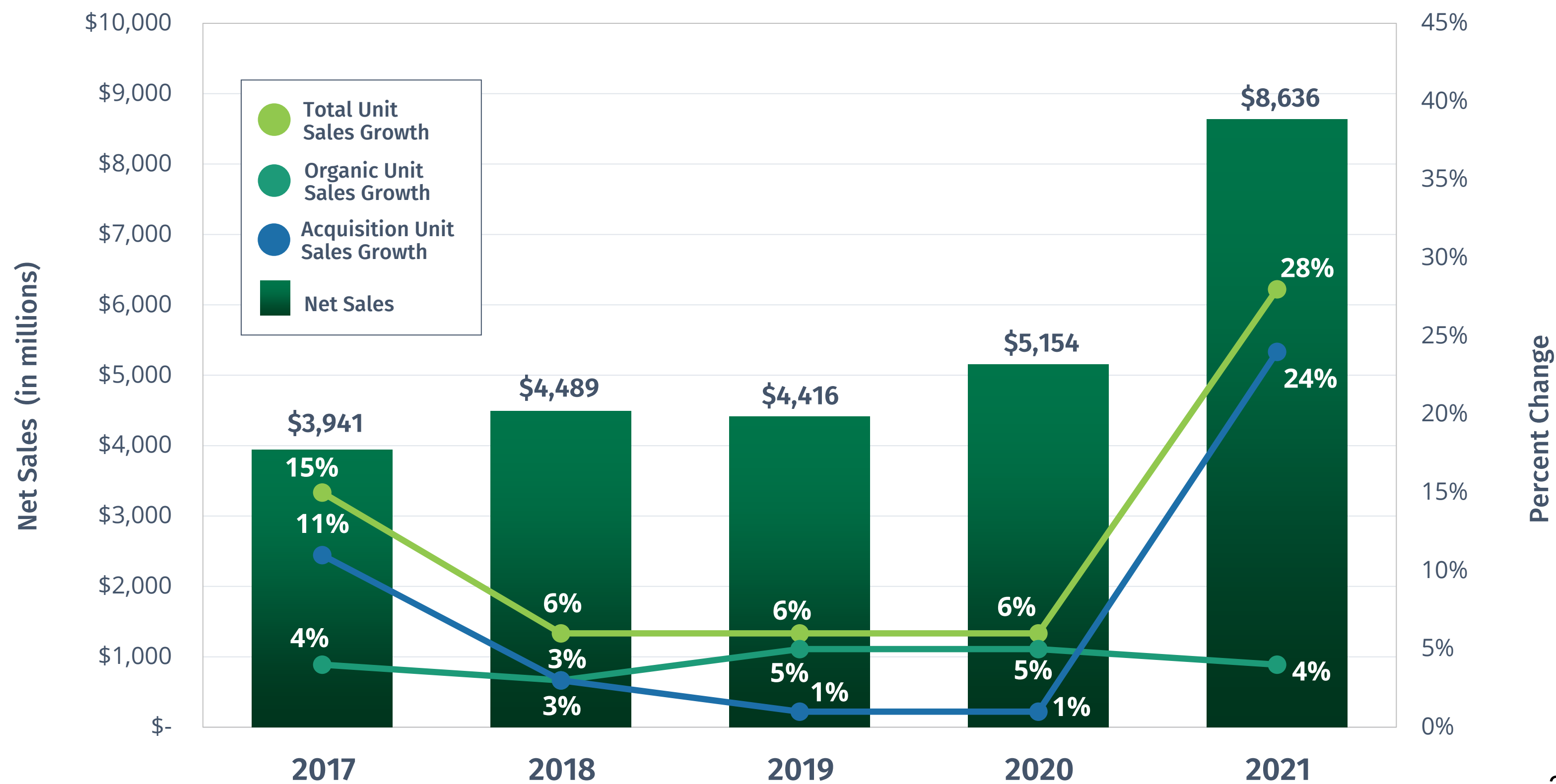
Balanced mix of variable and fixed-price products mitigate risk.





FINANCIALS

NET SALES



2022

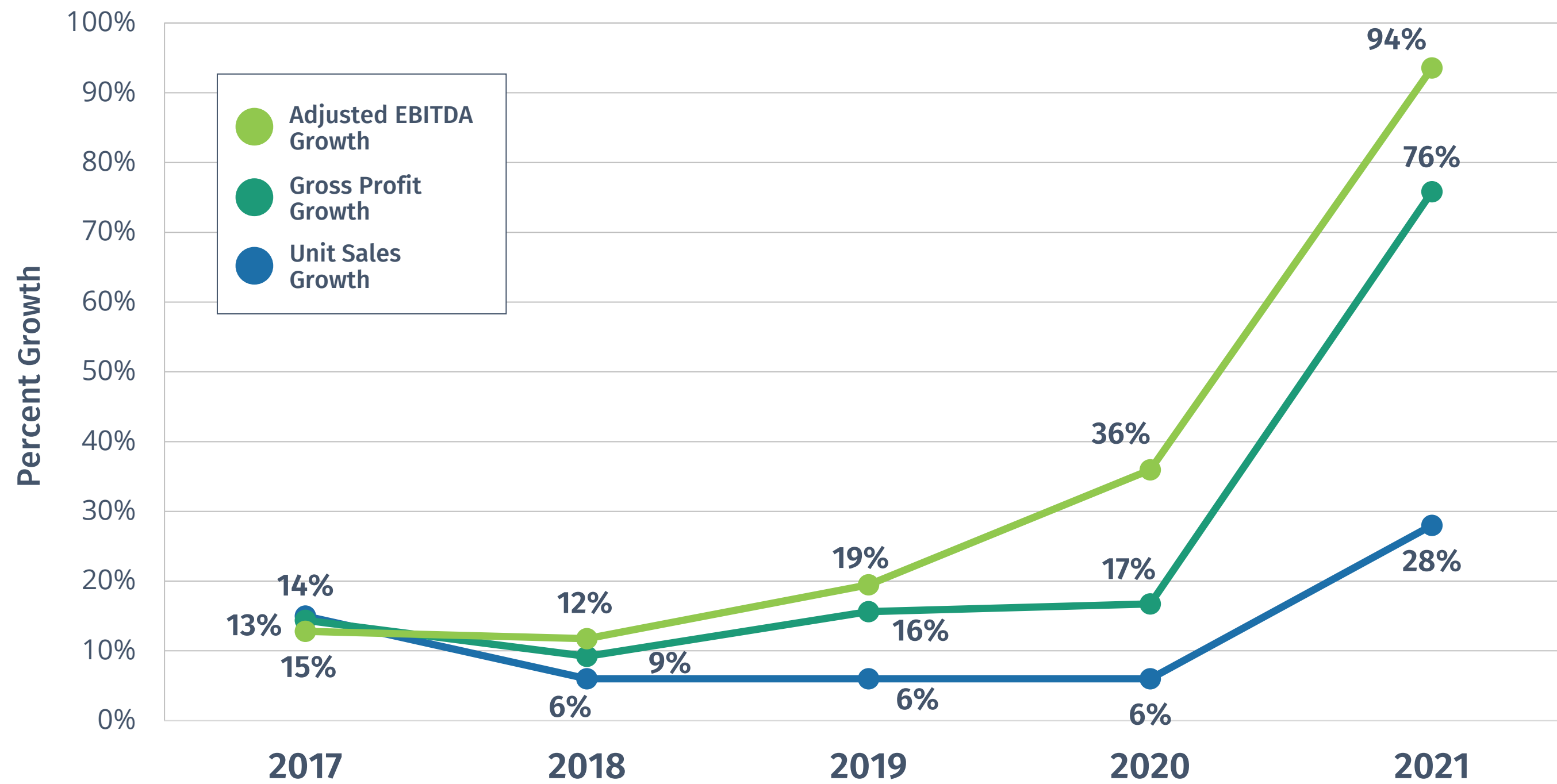


Long-Term Goal: Unit sales growth of 5% to 7%, including acquisitions



FINANCIALS

UNIT SALES AND PROFIT GROWTH



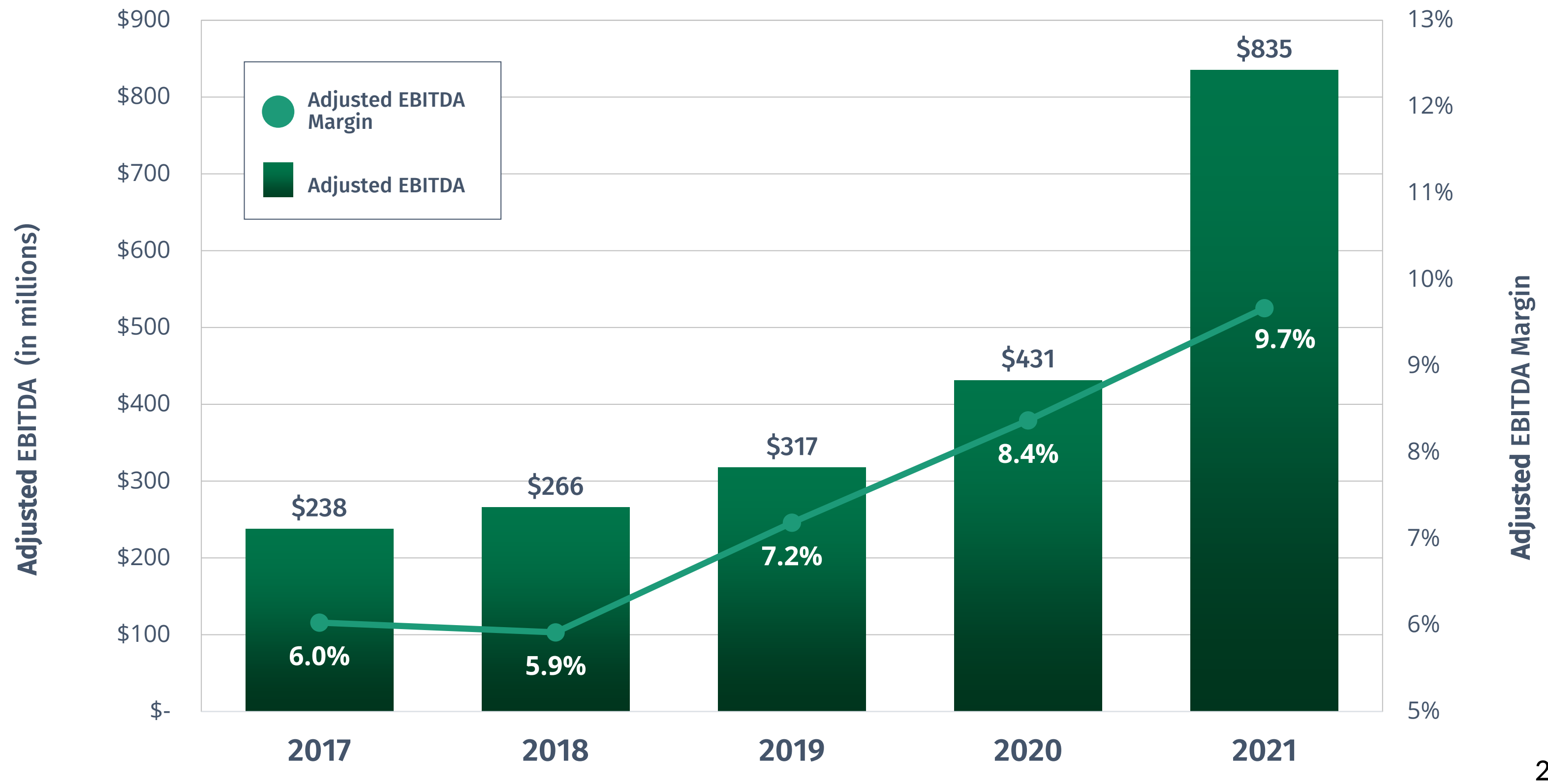
Long-Term Goal: Achieve Adjusted EBITDA growth exceeding unit sales growth.

Non-GAAP Financial Information: *Please click [here](#) for reconciliation to related GAAP measurement.*



FINANCIALS

Adjusted EBITDA



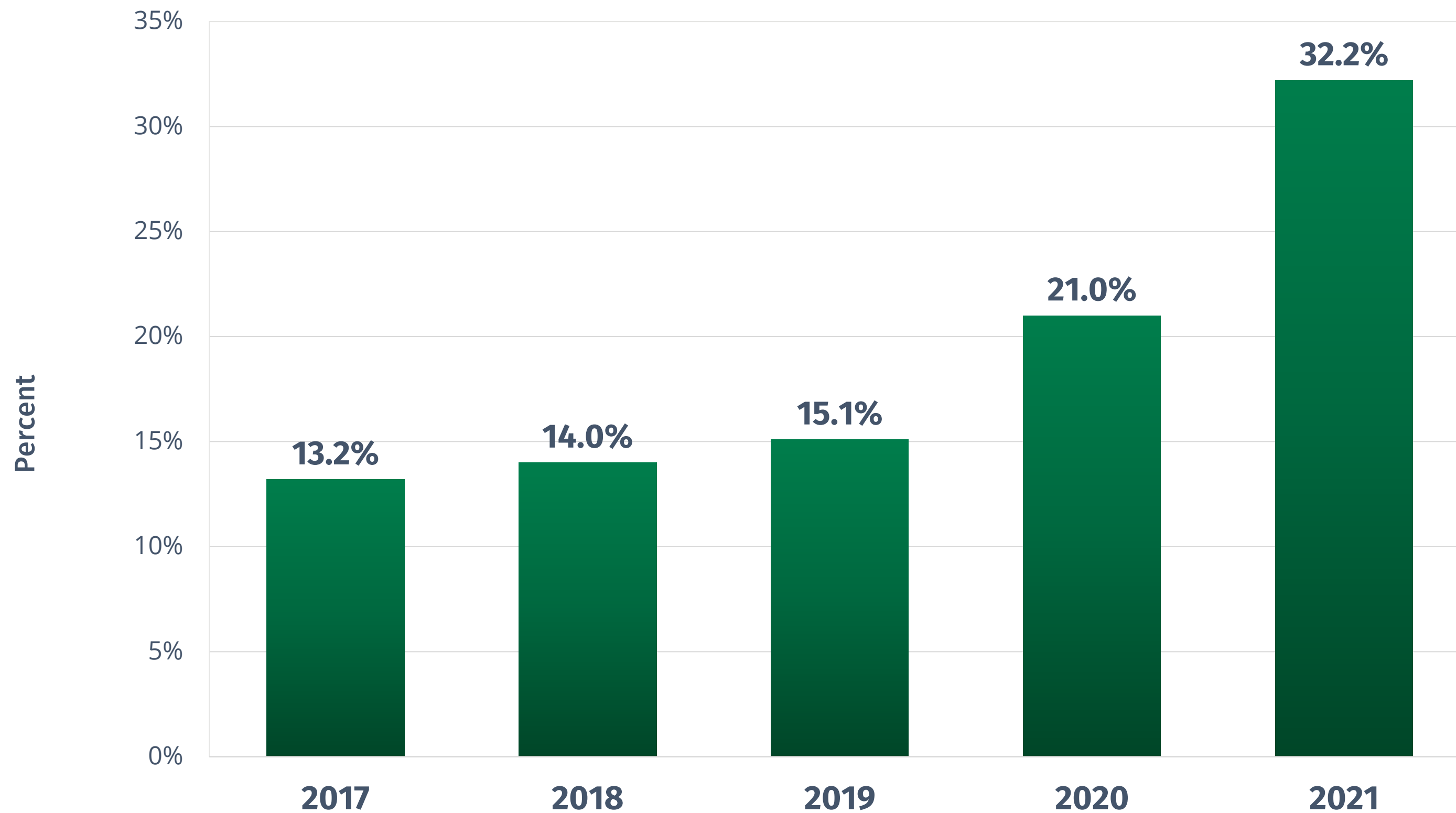
Long-term goal: Achieve and sustain a 10% adjusted EBITDA margin.

Non-GAAP Financial Information: *Please click [here](#) for reconciliation to related GAAP measurement.*



FINANCIALS

RETURN ON INVESTED CAPITAL



Hurdle Rate = 12% WACC = 10%

Long-term goal: Earning an incremental return on new investment over our cost of capital.

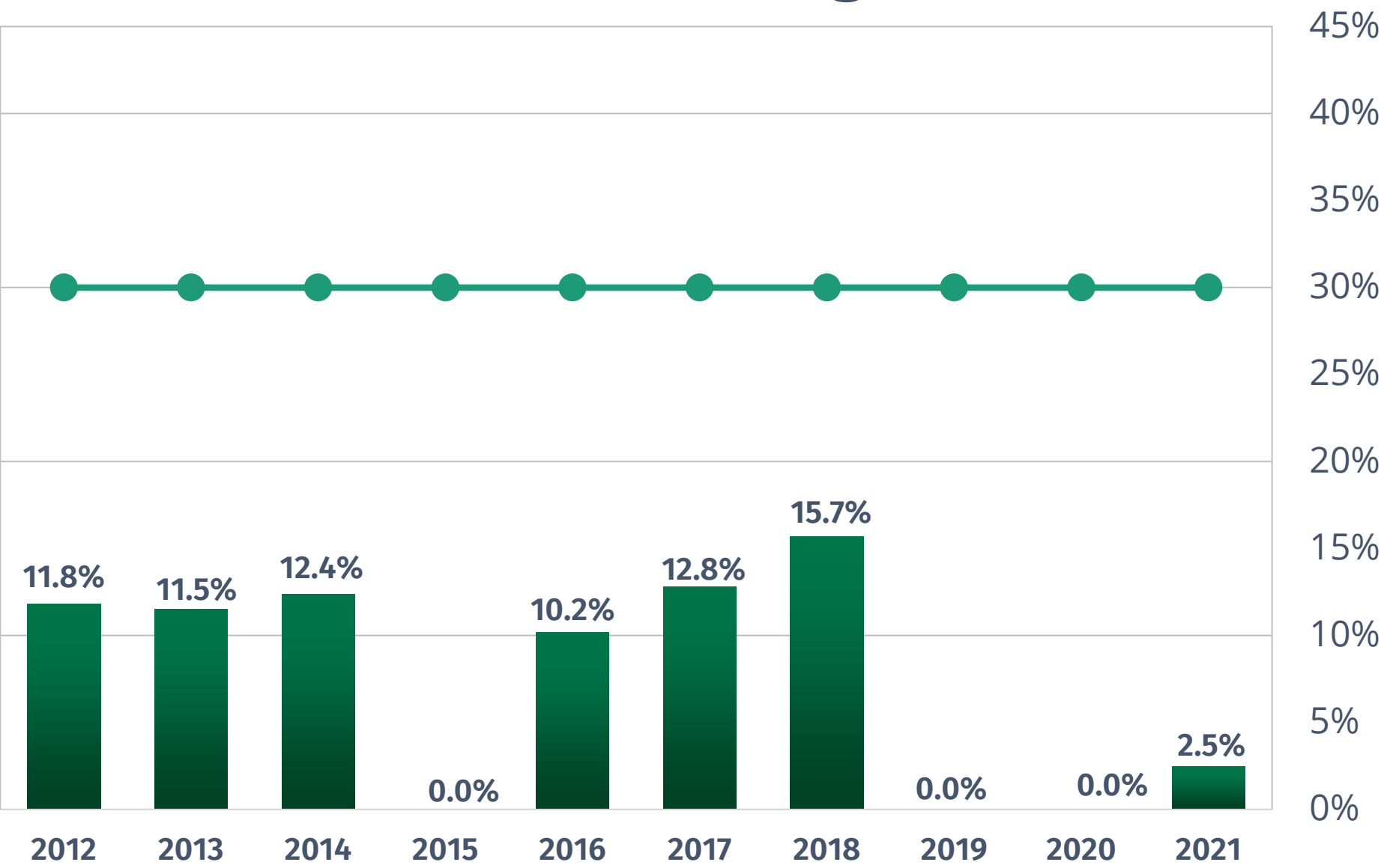
Non-GAAP Financial Information: *Please click [here](#) for reconciliation to related GAAP measurement.*



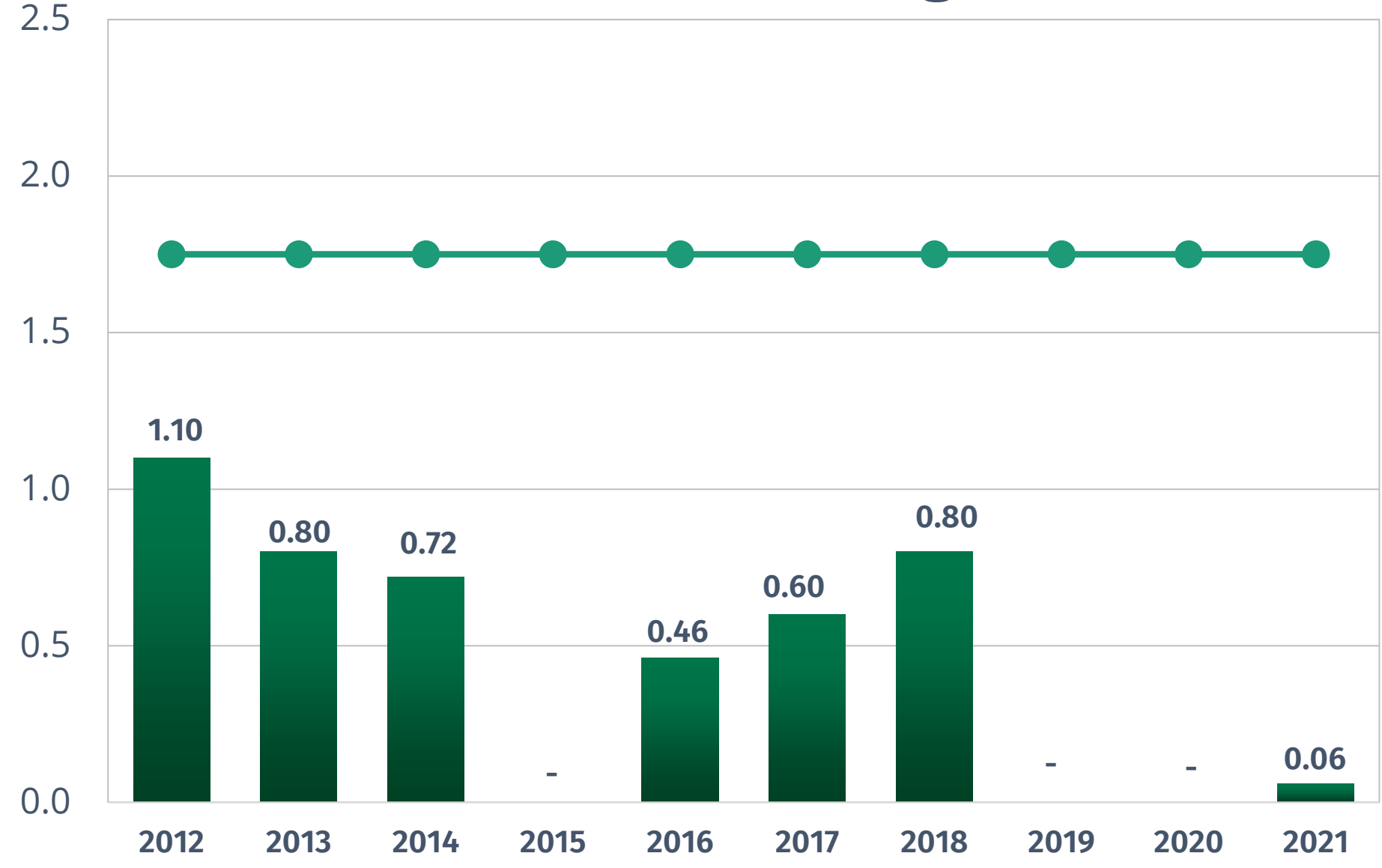
FINANCIALS

CAPITAL STRUCTURE

Net Debt to Total Capitalization
vs Maximum Target



Net Debt to Adjusted EBITDA
vs Maximum Target



Net Debt to Total Capital

Net Debt to TTM Adjusted EBITDA

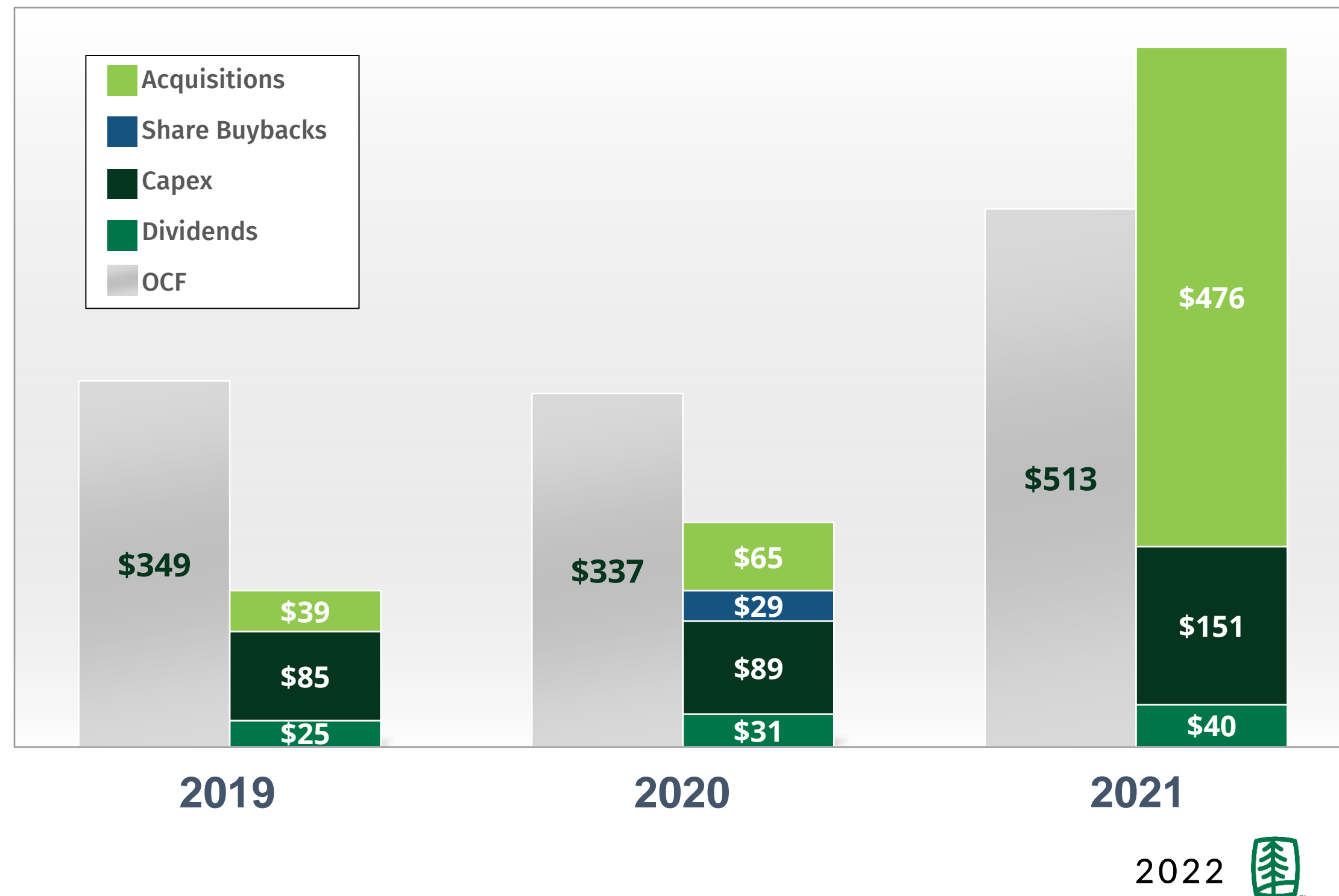
Max target



BALANCED USE OF FREE CASH FLOW

Operating Cash Flow and Capital Allocation (in millions)

- ✓ Acquisitions to contribute half of our total annual unit sales growth
- ✓ Opportunistic share repurchases to offset issuances
- ✓ CapEx plan of \$175M to \$225M in 2022
- ✓ Increasing dividends

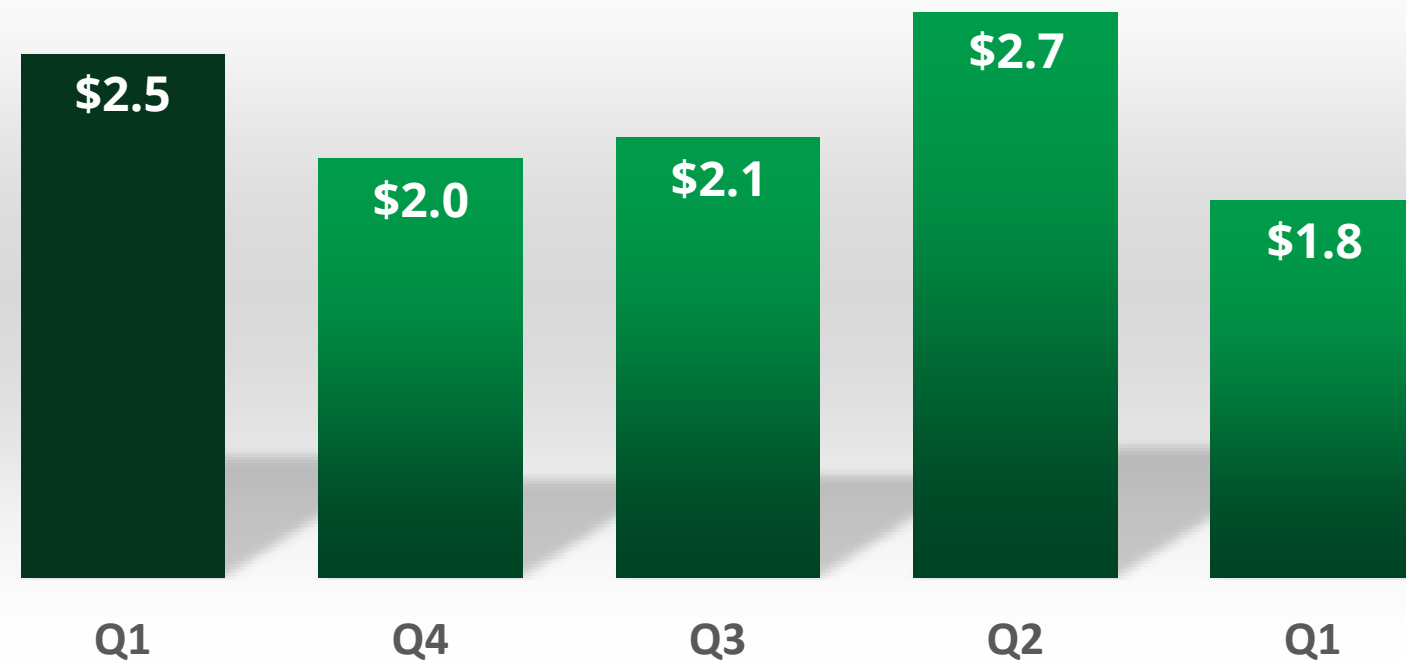




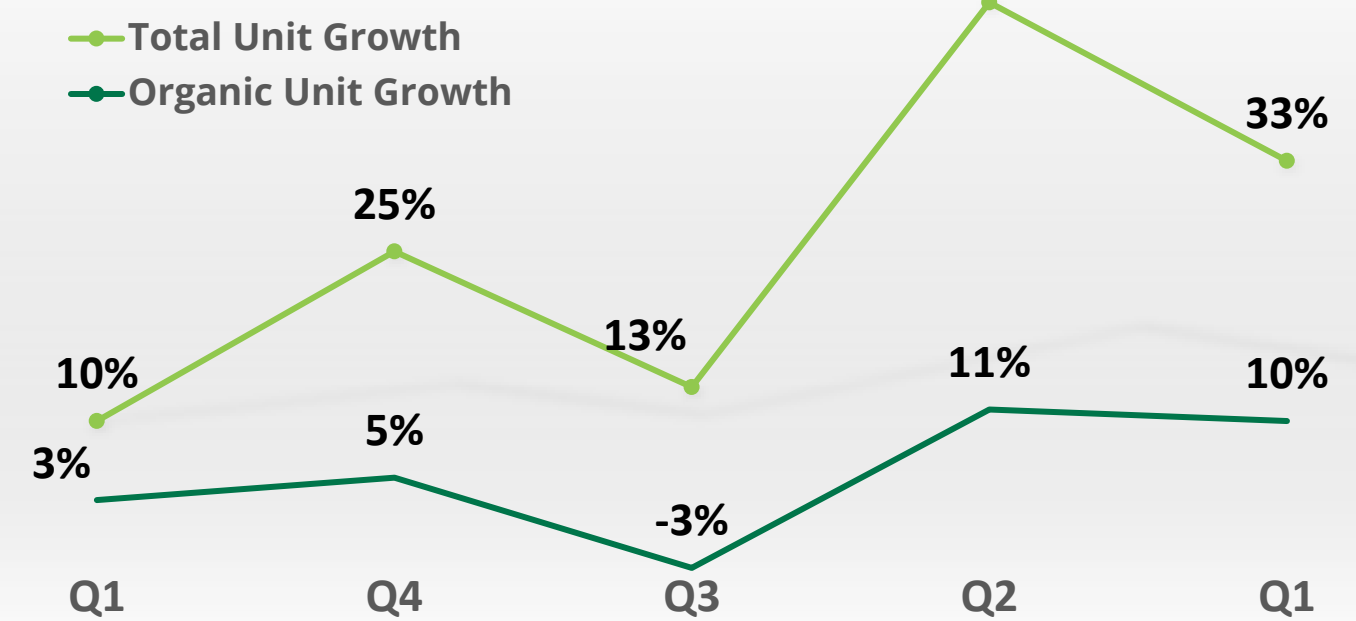
FINANCIALS

Q1 2022

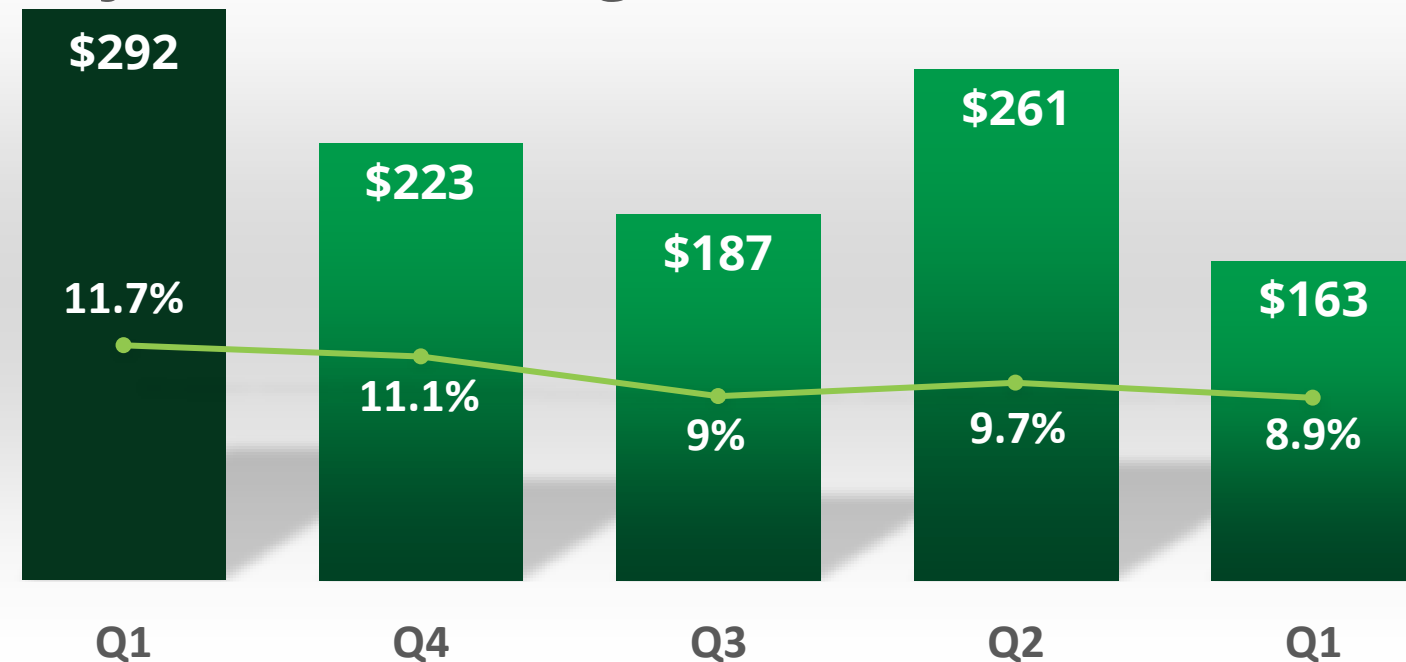
Net Sales (in billions)



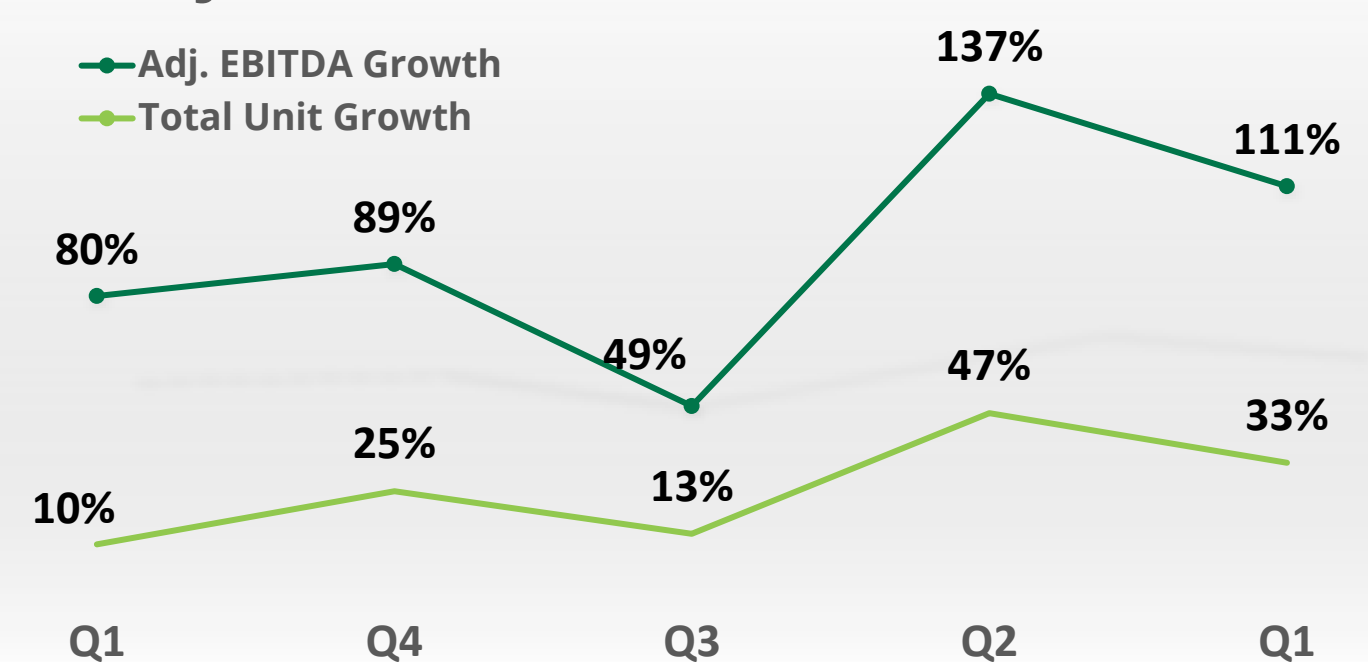
YOY Unit Growth



Adj. EBITDA & Margin (in millions)



YOY Adj. EBITDA & Unit Growth



Non-GAAP Financial Information: [Please click here](#) for reconciliation to related GAAP measurement.

2022



 **THANK YOU.**



2801 E. Beltline Ave. NE
Grand Rapids, MI 49506
(800) 598-9663 - UFPI.com

