

Investor Presentation

Version: June 2021

**American
Woodmark**

Legal Disclosure

Forward-Looking Statements

This presentation contains certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements as to expected future financial and operating results. These forward-looking statements may be identified by the use of words such as “anticipate,” “estimate,” “project,” “forecast,” “expect,” “believe,” “should,” “could,” “would,” “plan,” “may,” “intend,” “prospect,” “goal,” “will,” “predict,” or “potential” or other similar words or variations thereof. These statements are based on the current beliefs and expectations of the management of American Woodmark and are subject to significant risks and uncertainties that could cause actual outcomes and results to differ materially from those expressed in this presentation. These risks and uncertainties are detailed in certain of American Woodmark’s filings with the Securities and Exchange Commission (“SEC”), including in its Annual Report on Form 10-K for the year ended April 30, 2020 under the heading “Risk Factors” and in its Quarterly Report on Form 10-Q for the period ended January 31, 2021 under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Forward-Looking Statements.” These reports, as well as the other documents filed by American Woodmark with the SEC, are available free of charge at the SEC’s website at www.sec.gov. The statements made in this presentation, including with respect to any projected financial and operating results, are based on information available to management as of the first day of the month set forth on the cover of this presentation and American Woodmark undertakes no obligation to update any such statements to reflect developments after such date.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including Adjusted EBITDA and Free Cash Flow. These measures are intended to serve as a supplement to, and not a substitute for, the most comparable GAAP measures. For reconciliations of these non-GAAP financial measures to the most comparable GAAP financial measures, please see Appendix A to this presentation.

Our Leadership Team



Scott Culbreth

President & Chief Executive
Officer



Paul Joachimczyk

Vice President & Chief
Financial Officer



Rob Adams

Sr. Vice President,
Manufacturing and Technical
Operations



Teresa May

Sr. Vice President & Chief
Marketing Officer

**Strong leadership with
decades of experience and
expertise**

2025 Vision

Community Connections



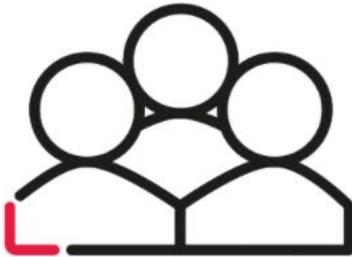
We will work to build a shared story and a strong connection with each and every community we touch.

Customer Experience



We must stretch ourselves toward a higher level of excellence, engaging and better understanding every customer we serve.

Interconnected Individuals



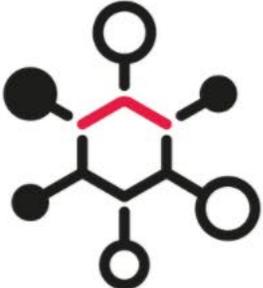
We will create an inclusive environment that fosters a sense of belonging, allowing each of us to realize how interconnected we are through our own stories.

Disruptive Innovation



We must challenge how we see the world around us, creating innovative solutions that disrupt our entire interconnected system.

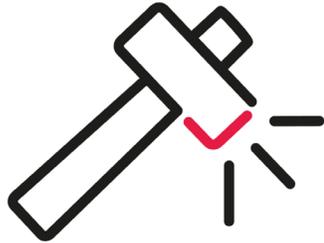
Systems Thinking



We must look beyond the simple, learning to see the system at work and understanding the complex interconnectivity in everything we do.

The Market

New Construction



- Target products for entry-level and mid-level housing
- Simplify the selection process
- Invest in digital service platform

Home Center and Retail



- Provide an expanded omnichannel experience
- Target pro customers
- Leverage brick and mortar footprint

Dealer/Distributor

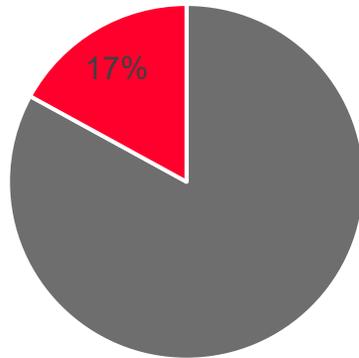


- Partner with trusted vendors
- Expand customer base
- Expand value offering

US Cabinet Market ~\$14.1B*

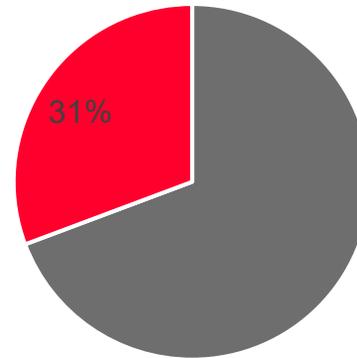
Market Size \$4.2 B

New Construction



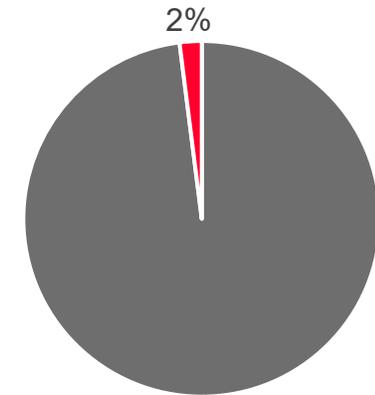
Market Size \$2.9 B

Home Center & Retail



Market Size \$7.0 B

Dealer/Distributor



■ New Construction ■ American Woodmark New Construction

■ Home Center ■ American Woodmark Home Center

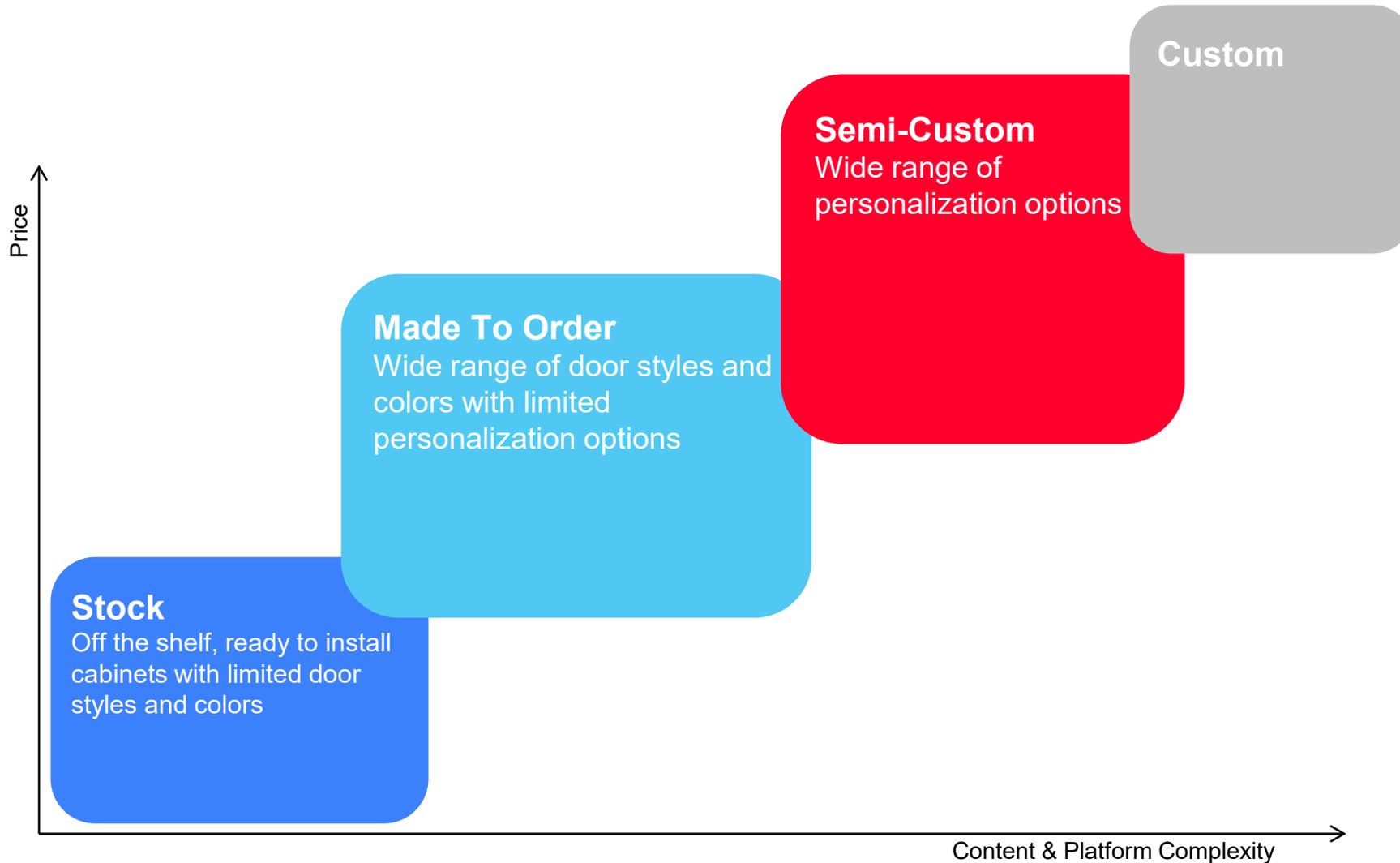
■ Dealer/Distributor ■ American Woodmark Dealer/Distributor

Opportunities for growth in all primary market channels

Note: The information presented on this slide with respect to the overall US cabinet market and the size of the New Construction, Home Center & Retail and Dealer/Distributor markets represents internal management estimates. These estimates are based on management's knowledge and experience in these markets and are informed by certain internal surveys, market research, industry publications and surveys and additional sources. Although management believes these estimates are reliable, they may prove to be inaccurate due to the method by which we obtained some of the data for these estimates or because of the inability to verify such data with certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in data gathering. These estimates and any internal surveys informing such estimates have not been independently verified. For these reasons, investors should not place undue reliance on the market information presented.

* Calendar year 2020

Cabinet Market Offerings



Made to Order

- Waypoint®
- American Woodmark® Cabinetry
- Shenandoah Cabinetry®
- Timberlake®
- Home Center Private Label

Stock

- Home Center Private Label
- Origins™ by Timberlake
- Waypoint® Simple Trends
- PCS™

Expanding Product Offerings

Establish the Model



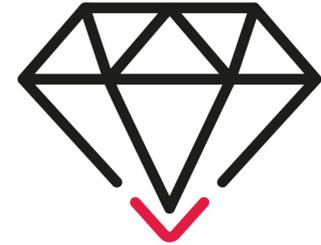
Expand supply sources
to meet customer
demand

Expand Capability



International
manufacturing
and distribution
platform

Evolve Offerings

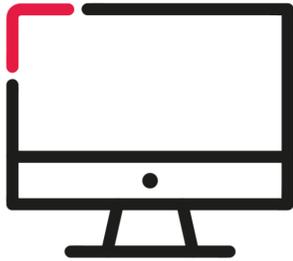


Styles, colors,
expand markets

Develop sustainable sourcing, operations and strategic projects to provide needed products which will grow our share and increase relevance

Building Digital

Strengthen the Core



E-commerce, content, configurators

Build Internal Capability



Manufacturing, distribution, digital, commercial

Breakthrough Opportunity



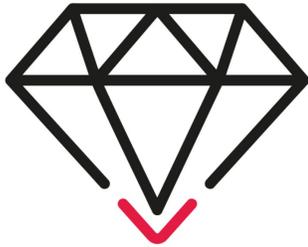
Styles, colors, expand markets



Enhance our digital/online strategy to provide needed products/services which will allow us to capture share in this growing market

Leverage Frameless Capabilities

Evolve Offerings



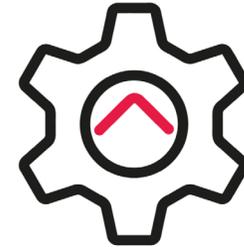
Styles, colors,
expand markets

Manufacturing and Logistics



Shift focus on cost and
performance

Commercial Capabilities



Structure, systems and
process



Execute frameless strategy further establishing core competency and market share growth

Customer Experience

Customer Expectations



- Heightened consumer expectations
- Strategies to create a competitive advantage

VOC Star Ratings



- Advanced analytics delivers insight that drives precise response
- Focus on expectation-driven ratings

Build Internal Capability

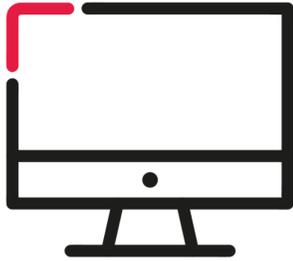


- Enhance partners' business with e-commerce and digital capabilities
- Relevant content drives consumer engagement
- Manufacturing and distribution transformation

Design and implement a customer-centric quality strategy focused on the total customer experience

Platform Vision

ERP



Enhance our internal systems

Strategic Projects



Automation to reduce labor dependencies

Digital Marketing



Deliver products/services and drive engagement

These complexity reducing initiatives will increase EBITDA margins

ESG

Environmental



- Decrease landfill waste through Reduce, Reuse, and Recycle methodologies
- Transition to hybrid/electric fleet and equip shipping fleet with SmartWay Technology
- Utilize renewable energy

Social



- Reduce recordable incident rate
- Develop and implement sustainability training for team members
- Strengthen Diversity & Inclusion initiatives

Governance



- Provide milestone updates to key stakeholders
- Board committee structure aligned to ESG priorities
- Ongoing focus on board diversity

Corporate social responsibility is a priority, and we commit to executing our plan

Awards and Recognition

New Construction



- Lennar Little Red Hen
- KB Home Value & Partnership Leadership
- Meritage Homes Vendor of the Quarter Q1 2021
- M/I Homes Supplier Appreciation for 2020

Home Center & Retail



- Multi-year winner of JD Power Award for Customer Satisfaction in Kitchen Cabinets
- Home Depot Innovation
- Lowe's Vendor Advisory Council

Dealer/Distributor



- Hanley Wood's Building Product Manufacturing Marketer of the Year

ESG



- 20% by 2020 – Women on the Board
- Forbes 2021 – America's Best Large Employers

We are honored to be recognized in all our primary market channels

Looking Ahead

Long Range Annual Adjusted EBITDA Margin Target of 14 - 15%*

6.0%

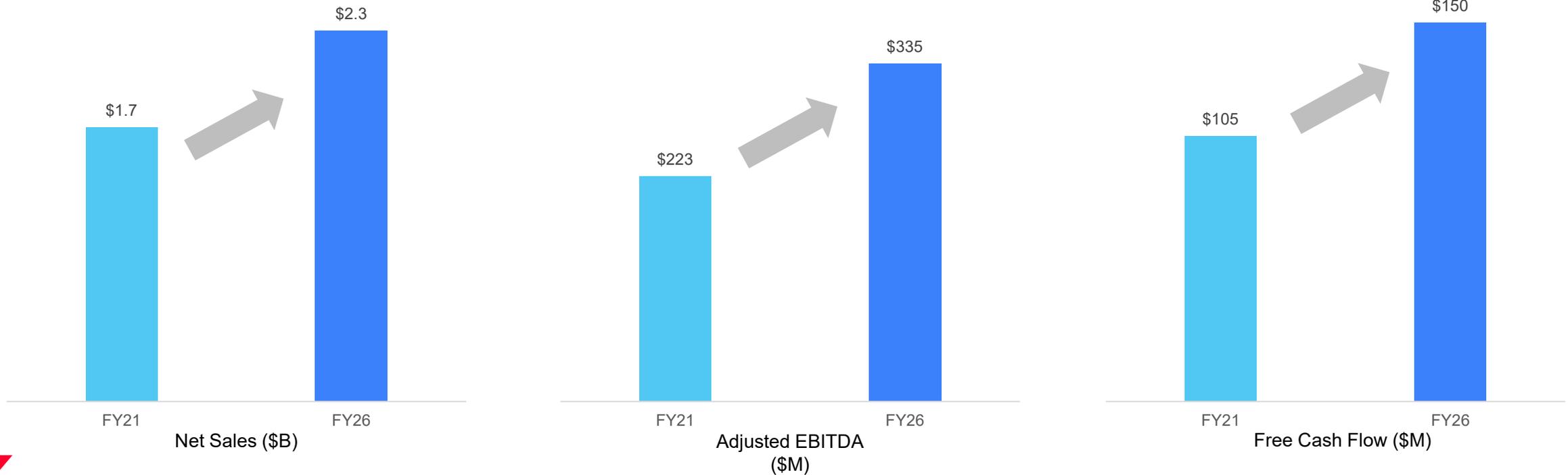
FY26 Five Year CAGR

8.5%

FY26 Five Year CAGR

7.4%

FY26 Five Year CAGR



Strong growth and investments lead to strong free cash flow generation

Note: The long range target and FY26 projections presented above reflect the current expectations and beliefs of management and are based on a number of assumptions and estimates that are inherently subject to business, economic and competitive uncertainties and contingencies, many of which are beyond our control. See page 2 of this presentation for a discussion of the risks and uncertainties that could cause actual results to differ materially from those expressed in this presentation. See Appendix A for a reconciliation of non-GAAP financial measures to the most comparable GAAP financial measures.

*Reflects annual fiscal year target beginning with or before FY26

Investment Summary

Focus on our Core



- Service platform is unmatched
- National turnkey offering in the builder market is a valued differentiator
- 35+ year relationship with home centers strengthened through improved service offerings

Strong FCF



- Capital Management
- Free cash flow generated is reinvested for future growth
- Proven track record of returning capital to shareholders through share repurchases*

Long-Term Focus



- Product offerings are well positioned with focus on relevant styles and colors.
- Stock offering addresses the entry price point consumer
- Strategic initiatives position us for future success
- Complexity reduction improves cost structure and margins

* Any share repurchases are subject to authorization by American Woodmark's Board of Directors as well as market conditions, the Company's cash requirements for other purposes, compliance with applicable laws and regulations and contractual covenants and any other factors management may deem relevant at the time of such repurchases. American Woodmark is not obligated to make any share repurchases in the future.

Contact:

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Appendix A

Reconciliation of Adjusted Non-GAAP Financial Measures to the GAAP Equivalents

Adjusted EBITDA and Adjusted EBITDA Margin (in thousands)	Year ended April 30, 2021
Net income (GAAP)	\$58,763
Add back:	
Income tax expense	18,672
Interest (income) expense, net	23,128
Depreciation and amortization expense	51,100
Amortization of customer relationship intangibles and trademarks	47,889
EBITDA (Non-GAAP)	<u>\$199,552</u>
Add back:	
Acquisition related expenses	174
Non-recurring restructuring charges, net	5,848
Net loss on debt modification	13,792
Change in fair value of foreign exchange forward contracts	(1,102)
Stock-based compensation expense	4,598
Loss on asset disposal	384
Adjusted EBITDA (Non-GAAP)	<u>\$223,246</u>
Net Sales	\$1,744,014
Adjusted EBITDA margin (Non-GAAP)	12.8%

A reconciliation of Adjusted EBITDA and Adjusted EBITDA margin as projected is not provided because we do not forecast Net income as we cannot, without unreasonable effort, estimate or predict with certainty various components of Net income.

Free Cash Flow (in thousands)	2021	2026
Cash provided by operating activities	\$ 151,763	\$ 210,000
Less: Capital expenditures	46,318	60,000
Free cash flow	<u>\$ 105,445</u>	<u>\$ 150,000</u>